

**STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING**

Confidential - Tight Hole**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. Type of Work

DRILL ☒**DEEPEN** ☐**PLUG BACK** ☐

b. Type of Well

Oil
Well ☐Gas
Well ☒

Other

Single
Zone ☒Multiple
Zone ☐2. Name of Operator **303/298-1000****555 17th Street, Suite 2400****ANSCHUTZ EXPLORATION CORP.****Denver, CO 80202**3. Address of Operator **303/452-8888****13585 Jackson Drive****PERMITCO INC. - Agent****Denver, CO 80241**

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

1167' FNL and 1737' FEL (Surface Location)

At proposed prod. zone

2200' - 3100' FSL and 3000' - 3960' FEL (Target Area)

5. Lease Designation and Serial No.

ML-1256

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

Clear Creek Unit

8. Farm or Lease Name

Oman

9. Well No.

#2-20

10. Field and Pool, or Wildcat

Wildcat

11. Sec., T., R., M., OR Bk.

and Survey or Area

Sec. 20, T13S - R7E

14. Distance in miles and direction from nearest town or post office*

Approx. 3.4 miles South of Scofield, UT

12. County or Parish

Carbon

13. State

Utah

15. Distance from proposed*

location to nearest
property or lease line, ft.

(Also to nearest drlg. line, if any)

1167'

16. No. of acres in lease

480 acres17. No. of acres assigned
to this well**40**

18. Distance from proposed location *

to nearest well, drilling, completed,

or applied for, on this lease, ft.

None

19. Proposed depth

4500'

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DP, RT, GR, etc.)

7961' GR

22. Approx. date work will start*

Upon approval of this application

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
26"	20"	94#	300'	580 sx Circulate to surface
12-1/4"	9-5/8"	36#	3900'	390 sx Circulate to surface
8-3/4"	5-1/2"	15.5#	4500'	290 sx Top of Cmt. at 3600'

Anschutz Exploration Corporation proposes to drill a well to a depth of 4500' to test the Ferron formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per State of Utah requirements.

See Drilling and Surface Use Program attached.

CONFIDENTIAL - TIGHT HOLE

All operations will be covered under Anschutz's Utah Statewide Bond No. 104253

No spacing exception will be required since this location falls within the Clear Creek Unit

CC: 3 - Division of Oil, Gas & Mining - SLC, Utah

3 - Anschutz Exploration Corp. - Denver, CO

1 - Cordillera Corporation - San Diego, CA

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed

Consultant for:

Title **Anschutz Exploration**Date **09/22/95**

(This space for Federal or State office use)

Permit No.

43-007-30289

Approval Date

Approved by

Title

Petroleum Engineer**10/17/95**

Conditions of approval, if any:

***See Instructions On Reverse Side**

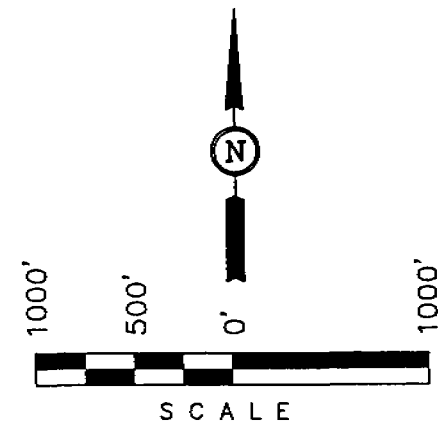
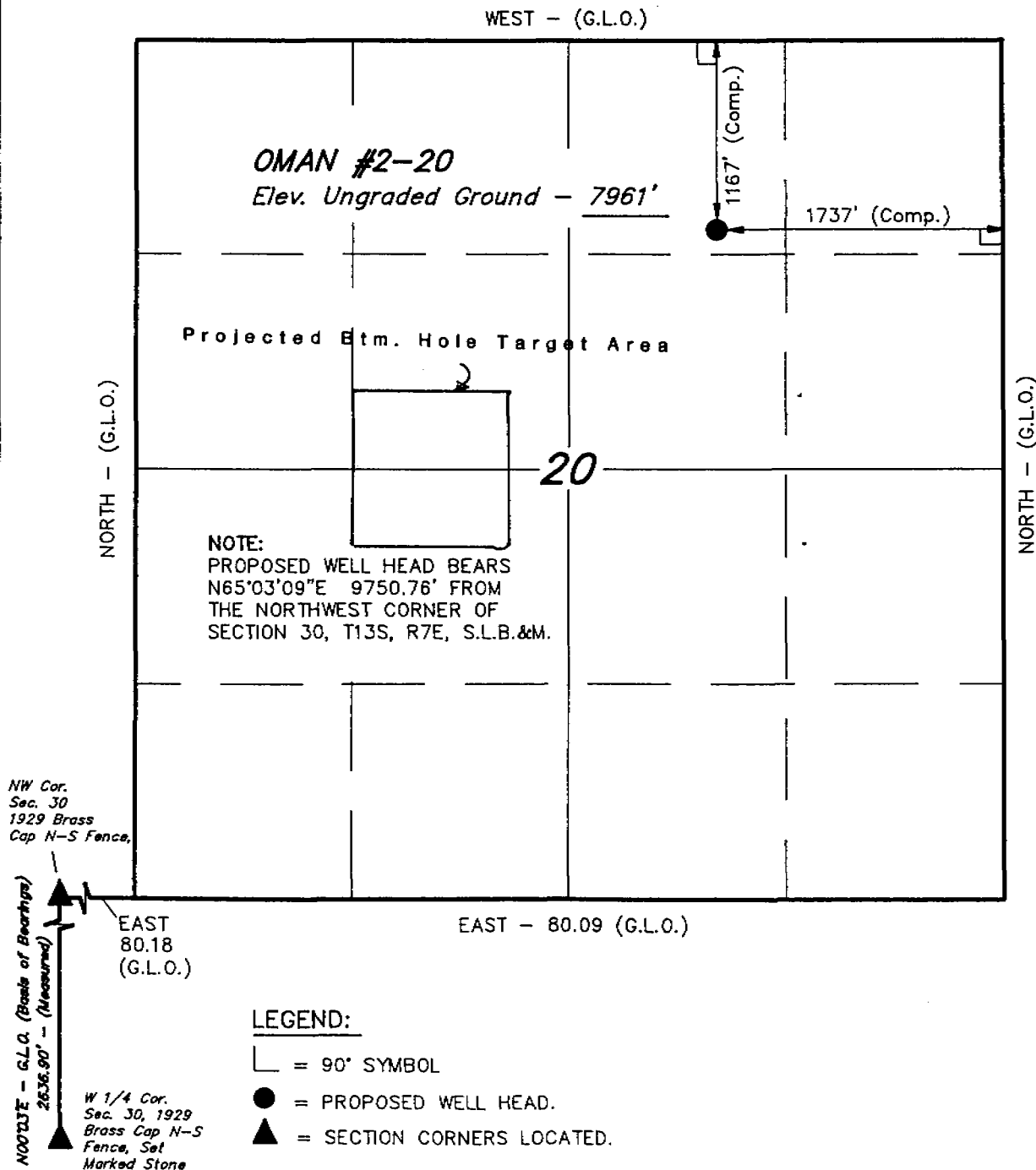
T13S, R7E, S.L.B.&M.

THE ANSCHUTZ CORPORATION

Well Location, OMAN #2-20, located as shown in NW 1/4 NE 1/4 of Section 20, T13S, R7E, S.L.B.&M. Carbon County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NW CORNER OF SECTION 30, T13S, R7E, S.L.B.&M. TAKEN FROM THE SCOFIELD QUADRANGLE, UTAH, 7.5 MINUTE (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 9350 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 9-13-95 D.J.S.
Revised: 8-22-95 D.R.B.

UTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 8-11-95	DATE DRAWN: 8-15-95
PARTY J.K. J.K. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE THE ANSCHUTZ CORPORATION	

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

Confidential - Tight Hole**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. Type of Work

DRILL ☒**DEEPEN** ☐**PLUG BACK** ☐

b. Type of Well

Oil
Well ☐Gas
Well ☒Other ☐Single
Zone ☒Multiple
Zone ☐2. Name of Operator **303/298-1000****555 17th Street, Suite 2400****ANSCHUTZ EXPLORATION CORP.****Denver, CO 80202**3. Address of Operator **303/452-8888****13585 Jackson Drive****PERMITCO INC. - Agent****Denver, CO 80241**

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface

1167' FNL and 1737' FEL (Surface Location) NW 1/4 NE 1/4

At proposed prod. zone

2200' - 3100' FSL and 3000' - 3960' FEL (Target Area)

5. Lease Designation and Serial No.

ML-1256

6. If Indian, Allottee or Tribe Name

N/A

7. Unit Agreement Name

Clear Creek Unit

8. Farm or Lease Name

Oman

9. Well No.

#2-20

10. Field and Pool, or Wildcat

Wildcat

11. Sec., T., R., M., OR Blk.

and Survey or Area

Sec. 20, T13S - R7E

14. Distance in miles and direction from nearest town or post office *

Approx. 3.4 miles South of Scofield, UT

12. County or Parish

Carbon

13. State

Utah

15. Distance from proposed *

location to nearest
property or lease line, ft.

(Also to nearest drlg. line, if any)

1167'

16. No. of acres in lease

480 acres17. No. of acres assigned
to this well**40**

18. Distance from proposed location *

to nearest well, drilling, completed,

or applied for, on this lease, ft.

None

19. Proposed depth

4500'

20. Rotary or cable tools

Rotary

21. Elevations (Show whether DF, RT, GR, etc.)

7961' GR

22. Approx. date work will start *

Upon approval of this application

23.

PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
26"	20"	94#	300'	580 sx Circulate to surface
12-1/4"	9-5/8"	36#	3900'	390 sx Circulate to surface
8-3/4"	5-1/2"	15.5#	4500'	290 sx Top of Cmt. at 3600'

Anschutz Exploration Corporation proposes to drill a well to a depth of 4500' to test the Ferron formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per State of Utah requirements.

See Drilling and Surface Use Program attached.

CONFIDENTIAL - TIGHT HOLE

All operations will be covered under Anschutz's Utah Statewide Bond No. 104253

No spacing exception will be required since this location falls within the Clear Creek Unit

CC: 3 - Division of Oil, Gas & Mining - SLC, Utah

3 - Anschutz Exploration Corp. - Denver, CO

1 - Cordillera Corporation - San Diego, CA

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed

Don G. Smith

Consultant for:

Title **Anschutz Exploration**Date **09/22/95**

(This space for Federal or State office use)

Permit No.

43-007-30289

Approval Date

Approved by

Matthew

The

Petroleum Engineer

Date

10/17/95

Conditions of approval, if any:

***See Instructions On Reverse Side**

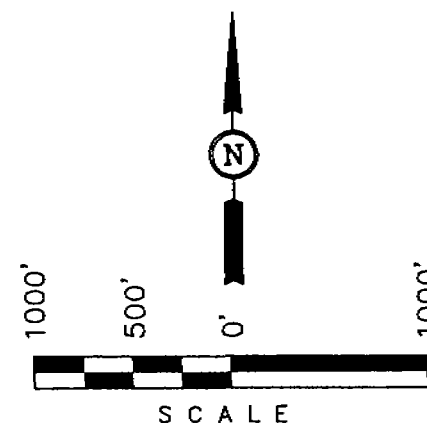
T13S, R7E, S.L.B.&M.

THE ANSCHUTZ CORPORATION

Well Location, OMAN #2-20, located as shown in NW 1/4 NE 1/4 of Section 20, T13S, R7E, S.L.B.&M. Carbon County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE NW CORNER OF SECTION 30, T13S, R7E, S.L.B.&M. TAKEN FROM THE SCOFIELD QUADRANGLE, UTAH, 7.5 MINUTE (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 9350 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

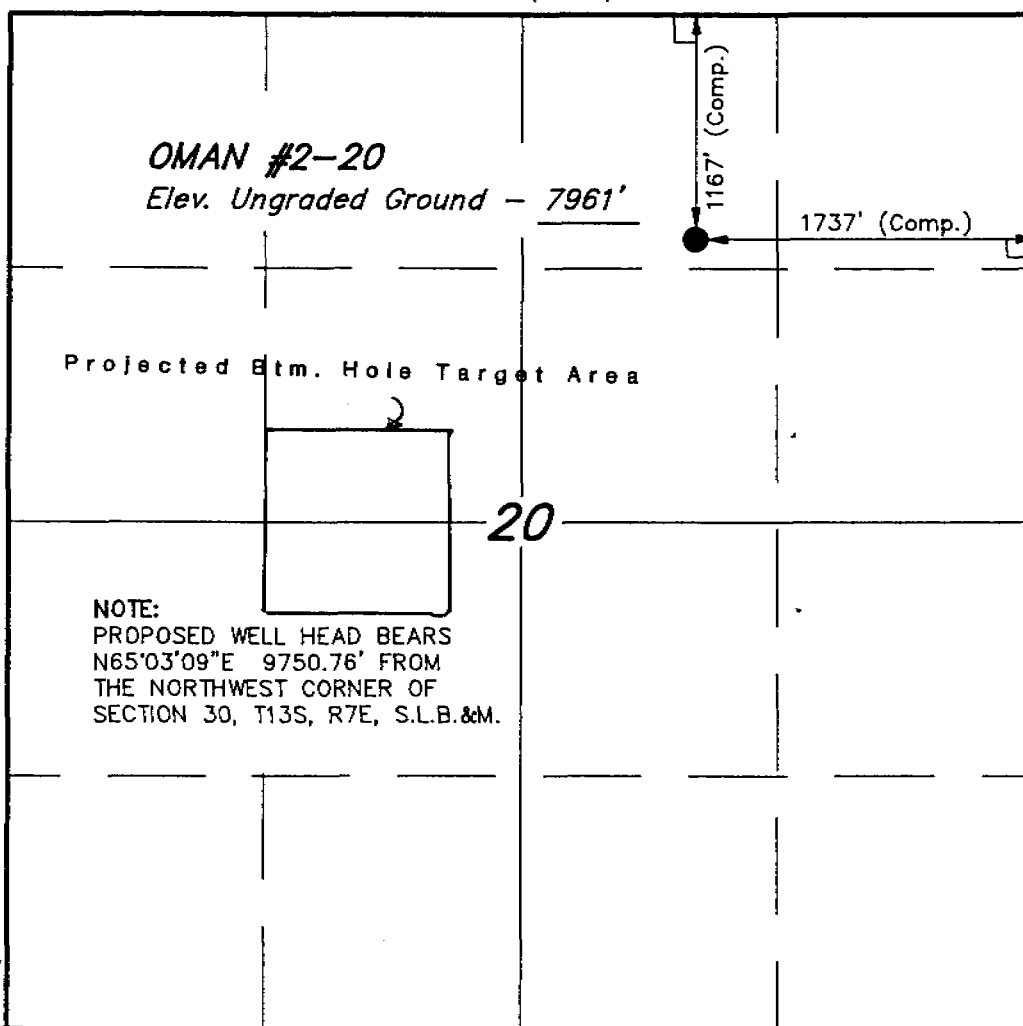
Robert L. Key
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

Revised: 9-13-95 D.J.S.
 Revised: 8-22-95 D.R.B.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 8-11-95	DATE DRAWN: 8-15-95
PARTY J.K. J.K. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE THE ANSCHUTZ CORPORATION	

WEST - (G.L.O.)



Projected Btm. Hole Target Area

NOTE:
 PROPOSED WELL HEAD BEARS
 N65°03'09"E 9750.76' FROM
 THE NORTHWEST CORNER OF
 SECTION 30, T13S, R7E, S.L.B.&M.

NORTH - (G.L.O.)

NORTH - (G.L.O.)

EAST - 80.09 (G.L.O.)

EAST
80.18
(G.L.O.)

LEGEND:

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

NW Cor.
 Sec. 30
 1929 Brass
 Cap N-S Fence,

N00°03'E - G.L.O. (Basis of Bearings)
 2636.90' - (Measured)

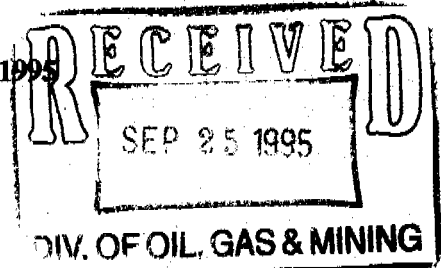
W 1/4 Cor.
 Sec. 30, 1929
 Brass Cap N-S
 Fence, Set
 Marked Stone



Division of Oil, Gas & Mining
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Attn: Frank Matthews

September 22, 1995



N 7940
Re: Anschutz Exploration Corp.
Oman #2-20
Sec. 20, T13S - R7E
Carbon County, Utah
Lease No. ML-1256

Dear Frank,

Enclosed please find three copies of the A.P.D. for the above mentioned well along with the required drilling program and surface use plan.

All necessary permits have been filed with the Utah Division of Water Rights prior to use of the proposed water source. A copy of the approved application will be forwarded to your office once it is received.

We are requesting that you schedule the onsite inspection for this well at your earliest convenience. Please contact me at the number shown below, or Mr. Todd Kalstrom at 303/298-1000 to schedule the inspection.

Thank you for your cooperation.

Sincerely,

PERMITCO INC.

Lisa L. Smith
Consultant for:
Anschutz Exploration Corp.

Enc.

cc: Anschutz Exploration Corp. - Denver, CO
Cordillera Corporation - San Diego, CA

Permitco Incorporated
A Petroleum Permitting Company

13585 Jackson Drive Denver, Colorado 80241 (303) 452-8888

Anschutz Exploration Corporation
Oman 2-20
slot #1
Carbon County
Utah

P R O P O S A L L I S T I N G

Your ref : Initial Design
Our ref : prop2175
Other ref :

Date printed : 13-Sep-95
Date created : 13-Sep-95
Last revised : 13-Sep-95

Field is centred on 0.000,0.000,0.00000,N
Structure is centred on 0.000,0.000,0.00000,N

Anschutz Exploration Corporation

Structure : Oman 2-20

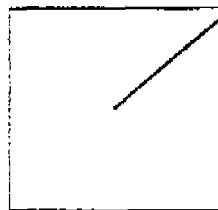
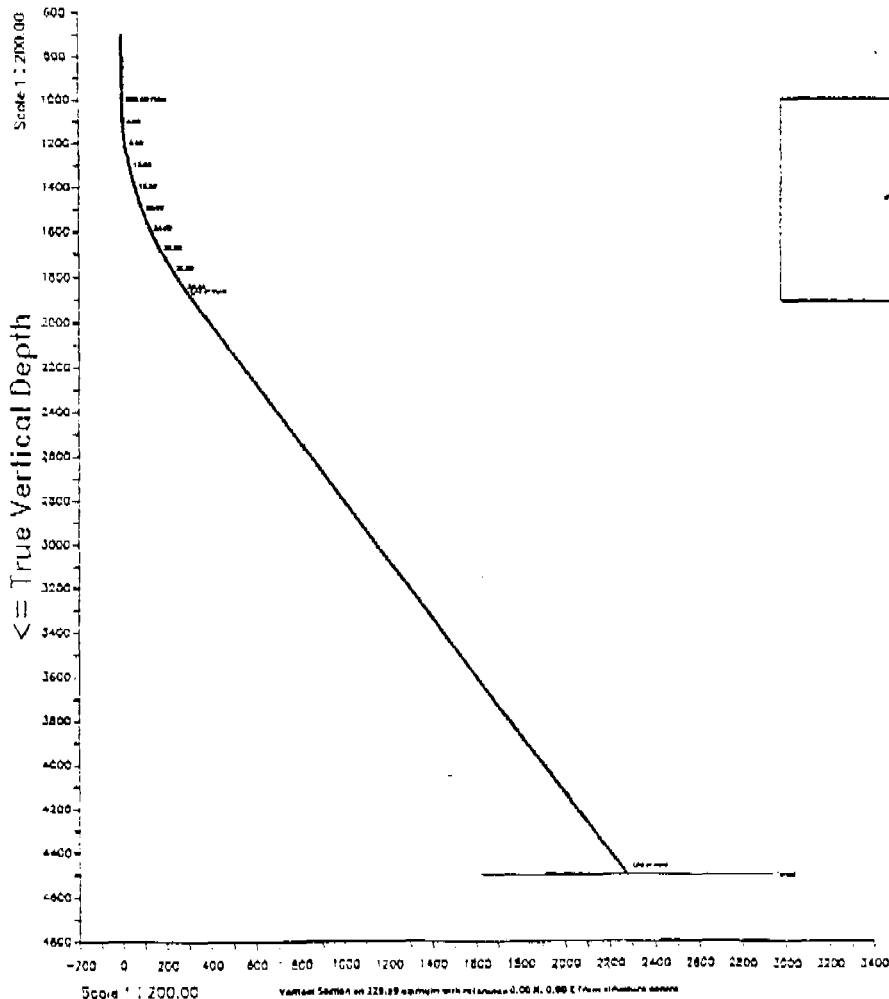
Field : Carbon County

Location : Utah

Scale 1 : 200.00

East ==>

-3200 -3000 -2800 -2600 -2400 -2200 -2000 -1800 -1600 -1400 -1200 -1000 -800 -600 -400 -200 0 200



North

Scale 1 : 200.00

Created by : USL O.P.C. / Ken Sullivan
 Date plotted : 13-Sep-95
 Plot Reference is Initial Design.
 Coordinates are in feet reference structure centre.
 True Vertical Depths are reference rtd.

--- Anadroll Schlumberger ---

Anschutz Exploration Corporation
 Oman 2-20, slot #1
 Carbon County, Utah

PROPOSAL LISTING Page 1
 Your ref : Initial Design
 Last revised : 13-Sep-95

Measured Depth	Inclin. Degrees	Azimuth Degrees	True Vert. Depth	R E C T A N G U L A R C O O R D I N A T E S		Dogleg Deg/100Ft	Vert Sect
0.00	0.00	229.99	0.00	0.00 N	0.00 E	0.00	0.00
500.00	0.00	229.99	500.00	0.00 N	0.00 E	0.00	0.00
1000.00	0.00	229.99	1000.00	0.00 N	0.00 E	0.00	0.00
1100.00	4.00	229.99	1099.92	2.24 S	2.67 W	4.00	3.49
1200.00	8.00	229.99	1199.35	8.96 S	10.68 W	4.00	13.94
1300.00	12.00	229.99	1297.81	20.12 S	23.98 W	4.00	31.30
1400.00	16.00	229.99	1394.82	35.67 S	42.50 W	4.00	55.49
1500.00	20.00	229.99	1489.91	55.54 S	66.17 W	4.00	86.38
1600.00	24.00	229.99	1582.61	79.62 S	94.85 W	4.00	123.84
1700.00	28.00	229.99	1672.47	107.79 S	128.42 W	4.00	167.67
1800.00	32.00	229.99	1759.05	139.93 S	166.71 W	4.00	217.66
1900.00	36.00	229.99	1841.94	175.87 S	209.53 W	4.00	273.56
1924.77	36.99	229.99	1861.85	185.35 S	220.82 W	4.00	288.29
2000.00	36.99	229.99	1921.94	214.45 S	255.49 W	0.00	333.56
2500.00	36.99	229.99	2321.31	407.86 S	485.92 W	0.00	634.40
3000.00	36.99	229.99	2720.67	601.27 S	716.35 W	0.00	935.25
3500.00	36.99	229.99	3120.04	794.59 S	946.78 W	0.00	1236.09
4000.00	36.99	229.99	3519.41	988.10 S	1177.21 W	0.00	1536.93
4413.90	36.99	229.99	3850.00	1148.21 S	1367.96 W	0.00	1785.97
4476.50	36.99	229.99	3900.00	1172.42 S	1396.81 W	0.00	1823.63
4500.00	36.99	229.99	3918.77	1181.51 S	1407.64 W	0.00	1837.78
4539.10	36.99	229.99	3950.00	1196.64 S	1425.66 W	0.00	1861.30
5000.00	36.99	229.99	4318.14	1374.92 S	1638.07 W	0.00	2138.62
5227.69	36.99	229.99	4500.00	1463.00 S	1743.00 W	0.00	2275.61 Target

Comments in wellpath
=====

MD	TVD	Rectangular Coords.		Comment
5227.69	4500.00	1463.00 S	1743.00 W	Target

Targets associated with this wellpath
=====

Target name	Position	T.V.D. Local rectangular coords.		Date revised
Target	not specified	4500.00	1463.00S 1743.00W	13-Sep-95

All data is in feet unless otherwise stated
Coordinates are from structure centre and TVDs are from rkb.
Vertical section is from wellhead on azimuth 229.99 degrees.
Calculation uses the minimum curvature method.

Anschutz Exploration Corp.**Lease No. ML-1256****Oman #2-20****1167' FNL and 1737' FEL (Surface Location)****2200-3100' FSL and 3000-3960' FEL (Btm. Hole Location)****Sec. 20, T13S - R7E****Carbon County, Utah****SURFACE USE PLAN****Page 1****1. Existing Roads**

- a. The proposed well site is located approximately 4 miles south of Scofield, Utah.
- b. Directions to the location from Scofield, Utah are as follows:

From Scofield proceed south on Highway 96 for 4 miles. Turn right and proceed approximately 150 feet to the location.
- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to the existing access will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads

- a. Approximately 150 feet of new access will be constructed. The access will have a running surface of 18 feet. Total disturbed width will be 30 feet, with the exception of the gate area which will be 40 feet.
- b. The maximum grade will be 4%.
- d. No turnouts will be necessary due to the short distance of the access road.
- e. No culverts or low water crossings will be necessary.
- f. The access road was centerline flagged at the time of staking.
- g. Surfacing material may be necessary depending on weather conditions, however, none is anticipated at this time.



Permitco Incorporated
A Petroleum Permitting Company

ONSHORE ORDER NO. 1
Anschutz Exploration Corp.
Oman #2-20
1167' FNL and 1737' FEL (Surface Location)
2200-3100' FSL and 3000-3960' FEL (Btm. Hole Location)
Sec. 20, T13S - R7E
Carbon County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. ML-1256

SURFACE USE PLAN

Page 2

- h. No cattleguards will be necessary. If the well is productive, a gate will be installed as shown on Map "B".

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.

- a. Water wells -none
- b. Injection wells -none
- c. Producing wells - none
- d. Drilling wells - none

4. Location of Tank Batteries and Production Facilities.

- a. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall surrounded by a containment dike.

5. Location and Type of Water Supply

- a. All water needed for drilling purposes will be obtained from Clear Creek (Temporary Application No. T69302, Water Right No. 91-4980).
- b. Water will be pumped to the location utilizing PVC pipe to be run through an existing culvert under Highway 96.
- c. No water well is to be drilled on this lease.
- d. All appropriate permits have been filed with the Division of Water Rights in Price, Utah.

Anschutz Exploration Corp.

Lease No. ML-1256

Oman #2-20

1167' FNL and 1737' FEL (Surface Location)

2200-3100' FSL and 3000-3960' FEL (Btm. Hole Location)

Sec. 20, T13S - R7E

Carbon County, Utah

SURFACE USE PLAN

Page 3

7. Methods of Handling Waste Disposal

- a. The reserve pit will be lined if required by the Utah Division of Oil, Gas and Mining.
- b. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- c. Drill cuttings are to be contained and buried in the reserve pit.
- d. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- e. Sewage will be placed in a portable chemical toilet or holding tank and disposed of in accordance with state and county regulations.

8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. The reserve pit will be located on the west side of the location.
- b. The stockpiled topsoil (first six inches) will be stored along the east side of the wellpad as shown on the rig layout.
- c. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- d. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.



Permitco Incorporated
A Petroleum Permitting Company

- e. All pits will be fenced to prevent wildlife entry.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.

10. Plans for Restoration of Surface

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.
- c. If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.
- d. Once the reserve pit is dry, the reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours.
- e. The location will be reclaimed and reseeded as requested by the BLM.

Dry Hole

- f. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment.



Anschutz Exploration Corp.

Oman #2-20

Lease No. ML-1256

1167' FNL and 1737' FEL (Surface Location)

2200-3100' FSL and 3000-3960' FEL (Btm. Hole Location)

Sec. 20, T13S - R7E

Carbon County, Utah

SURFACE USE PLAN

Page 5

11. Surface Ownership

Access Roads - All roads are County maintained or are located on private lands.

Wellpad - The well pad is located on private lands owned by :
Milton A. Oman, Ltd.
c/o Bessie G. Oman
1714 Mill Creek Way
Salt Lake City, UT 84106

12. Other Information

- a. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- b. There will be no deviation from the proposed drilling and/or workover program without prior approval from the Division of Oil, Gas & Mining. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.h.
- c. "Sundry Notice and Report on Wells" (From 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- d. This permit will be valid for a period of one year from the date of approval. An extension period may be granted, if requested, prior to the expiration of the original approval period.



Permitco Incorporated
A Petroleum Permitting Company

13. Lessee's or Operator's Representative and Certification

Permit Matters

PERMITCO INC.

Lisa L. Smith

13585 Jackson Drive

Denver, CO 80241

303/452-8888

Drilling & Completion Matters

ANSCHUTZ EXPLORATION CORP.

555-17th Street, Suite 2400

Denver, CO 80202-

303/298-1000 - Main Number

800/492-0694 - Pager

Haw (Daniel) Gallagher

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Anschutz Exploration Corp. and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

September 22, 1995

Date:



Lisa L. Smith - Permitco Inc.

Authorized Agent for:

ANSCHUTZ EXPLORATION CORP.

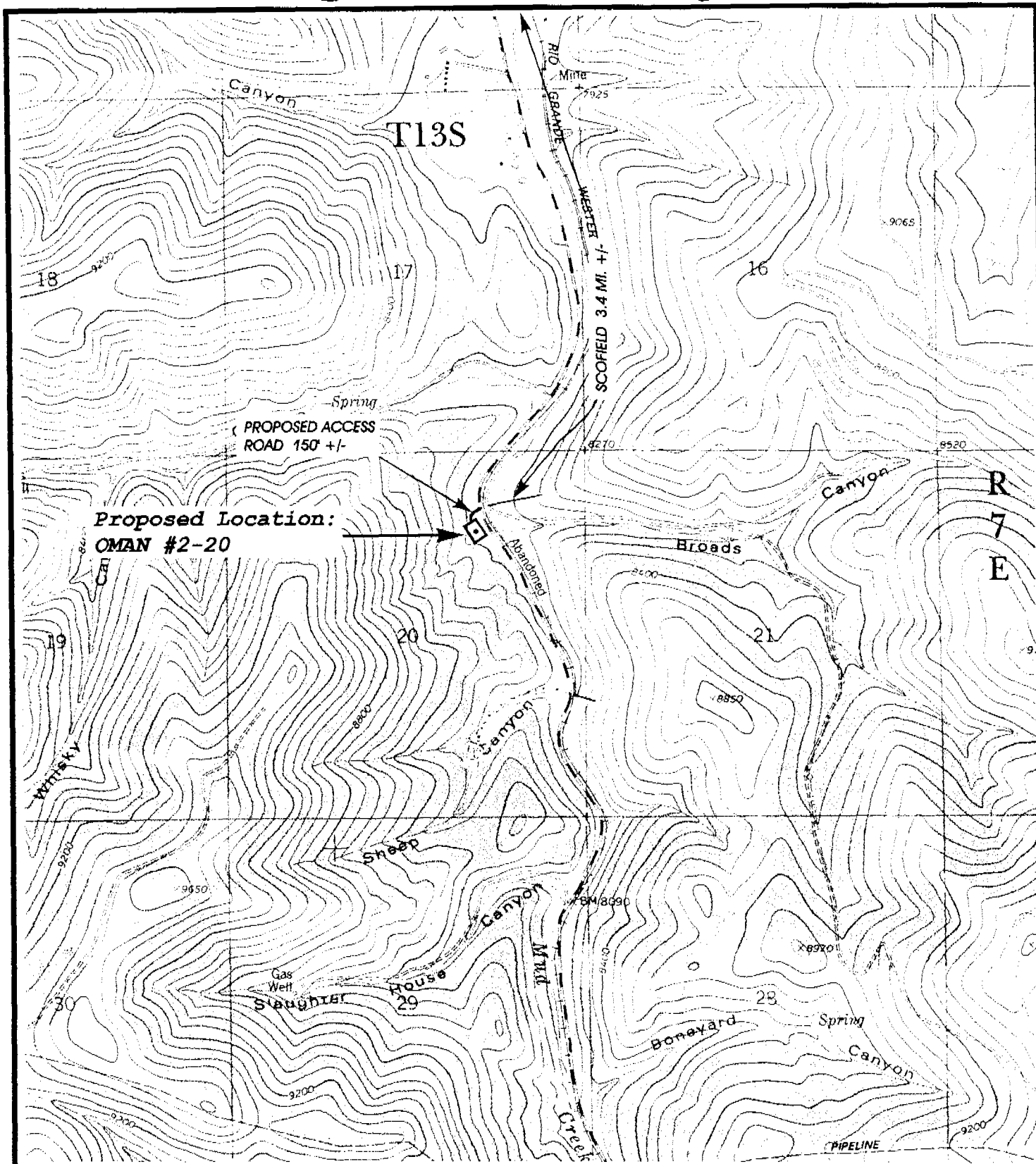




DATE: 9-13-95 C.B.T.



OMAN #2-20
SECTION 20, T13S, R7E, S.L.B.&M.
1167' FNL 1737' FEL



UELS

TOPOGRAPHIC
MAP "B"

DATE: 9-13-95 C.B.T.

THE ANSCHUTZ CORPORATION

OMAN #2-20
SECTION 20, T13S, R7E, S.L.B.&M.
1167' FNL 1737' FEL

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

SCALE: 1" = 2000'

THE ANSCHUTZ CORPORATION

LOCATION LAYOUT FOR

OMAN #2-20
SECTION 20, T13S, R7E, S.L.B.&M.

1167' FNL 1737' FEL Topsoil Stockpile

Proposed Access Road

CONSTRUCT
DIVERSION
DITCH

F-3.7'
El. 56.5'

Sta. 3+00

SCALE: 1" = 50'
DATE: 9-13-95
Drawn By: D.J.S.

El. 75.9'
C-25.7'
(btm. pit)

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

Approx. Top of Cut Slope

NOTE:
Pit Capacity W/2' of Freeboard is ± 8,360 Bbls.

Exist Drainage

Test Hole

Water Seep Areas

El. 81.8'
C-31.6'
(btm. pit)

Exist Drainage

CONSTRUCT
DIVERSION
DITCH

C-12.1'
El. 72.3'

FLARE PIT

El. 66.1'
C-5.9'

Test Hole

C-9.8'
El. 70.0'

C-1.0'
El. 61.2'

F-6.3'
El. 53.9'

Sta. 1+50

STA. 0+50

Approx. Toe of Fill Slope

Sta. 0+00

F-1.9'
El. 58.3'

F-3.1'
El. 57.1'

El. 60.5'
C-0.3'

Reserve Pit Backfill & Spoils Stockpile

Elev. Ungraded Ground at Location Stake = 7961.2'

Elev. Graded Ground at Location Stake = 7960.2'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

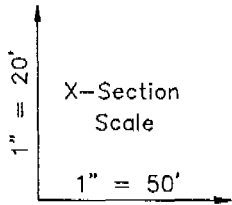
THE ANSCHUTZ CORPORATION

TYPICAL CROSS SECTIONS FOR

OMAN #2-20

SECTION 20, T13S, R7E, S.L.B.&M.

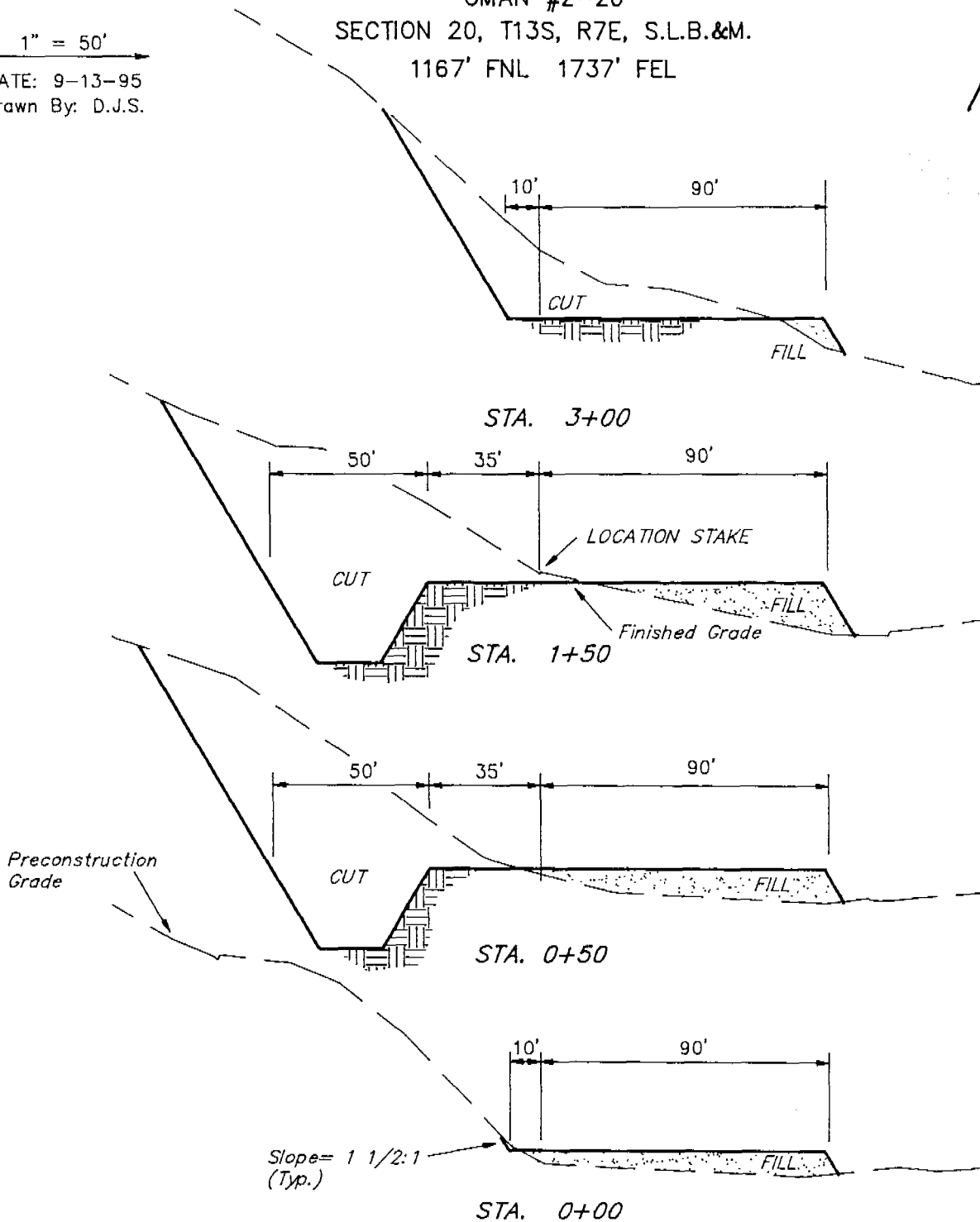
1167' FNL 1737' FEL



DATE: 9-13-95

Drawn By: D.J.S.

Handwritten signature/initials



APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	860 Cu. Yds.
Remaining Location	=	11,460 Cu. Yds.
TOTAL CUT	=	12,320 CU.YDS.
FILL	=	3,030 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION

Topsoil & Pit Backfill (1/2 Pit Vol.)	=	9,130 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	2,080 Cu. Yds.
	=	7,050 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (801) 789-1017

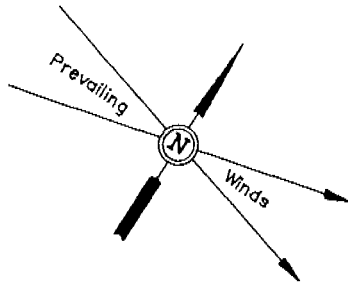
THE ANSCHUTZ CORPORATION

TYPICAL RIG LAYOUT

OMAN #2-20

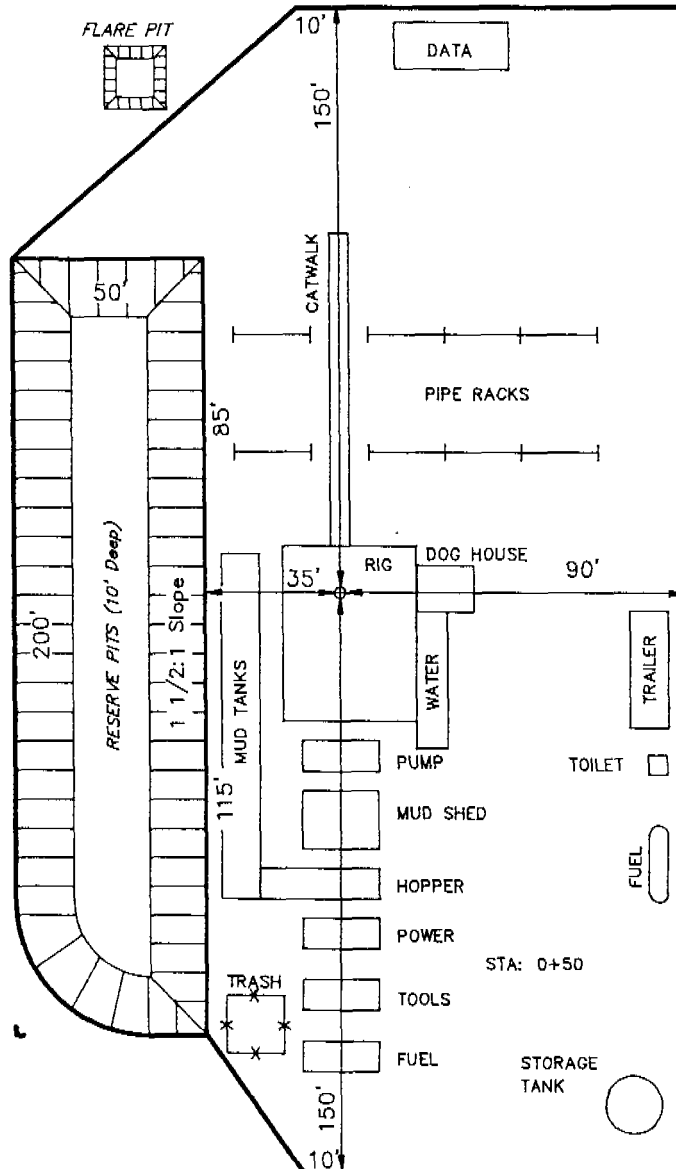
SECTION 20, T13S, R7E, S.L.B.&M.

1167' FNL 1737' FEL



SCALE: 1" = 50'
DATE: 9-13-95
Drawn By: D.J.S.

Ray

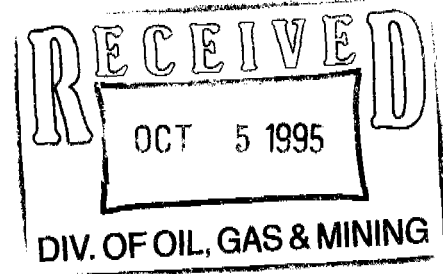




2400 ANACONDA TOWER • 555 SEVENTEENTH STREET • DENVER, COLORADO 80202 • 303-298-1000 • FAX 303-298-8881

October 4, 1995

Bureau of Land Management
Utah State Office
324 South State Street
Suite 301
Salt Lake City, UT 84111



Attention: Robert Hendricks

RE: Plan of Development
Clear Creek Unit
Carbon and Emery Counties, Utah

Gentlemen:

Attached for your review is the "Plan of Development" for Clear Creek Unit as prepared by Anschutz Exploration Corporation. This Plan was developed with the idea that we will drill three exploratory wells within the Clear Creek Unit commencing in the fall of 1995 and going through the drilling season of 1996. Once the results of the initial three wells are established, we will be in a better situation to submit to you a Plan of Development for the 1997 calendar year. At this point, our wells are located strategically geologically to establish production rates, reserves remaining, and to confirm geologically our concept of the extremely complicated structural element within the Unit.

Please call me at (303)299-1339 if you have any comments.

Sincerely,

ANSCHUTZ EXPLORATION CORPORATION

Todd Kalstrom
Division Land Manager

TK/tls

cc: Utah Division of Oil, Gas & Mining
Attention: Frank Mathews

Permitco
Attention: Lisa Smith

PLAN OF DEVELOPMENT

Clear Creek Unit
Carbon and Emery Counties, Utah
Submitted by Anschutz Exploration Corporation

BACKGROUND

Anschutz Exploration Corporation, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202, has negotiated a Farmout Contract with Cordillera Corporation which will allow Anschutz the right to drill gas wells within the Clear Creek Unit and to earn a portion of Cordillera's working interest and to assume the role of Unit Operator. Cordillera Corporation is the current Operator of Clear Creek Unit and is extremely encouraged by Anschutz' desire to establish additional gas reserves in this Federal Unit which dates back to September 7, 1956.

Anschutz Exploration Corporation's headquarters are in Denver, Colorado, and represents the oil and gas exploration and production effort of its parent company, The Anschutz Corporation. Anschutz has been a major player in the Rocky Mountain oil and gas business since the early 1970's and has been involved with a substantial number of oil and gas fields as Operator. Anschutz' technical staff represents one of the most experienced and innovative staffs in the United States. Our infrastructure of operations, land, engineering, and finance allow us to manage professionally and efficiently an inventory of oil and gas projects.

OBJECTIVE

This Plan of Development is submitted to summarize the tentative operational plans by Anschutz Exploration Corporation within the Clear Creek Unit for the time period extending from October 1, 1995, through December 31, 1996. It is Anschutz' understanding that the last Plan of Development was submitted during the mid-1970's and the Unit Operator and the BLM agreed that since no further drilling was scheduled after 1976, no further Plan of Development would be necessary until such time as additional drilling was scheduled.

EXPLORATORY DRILLING

Anschutz Exploration Corporation has scheduled to drill three exploratory wells over the next fifteen months (October 1995 through December 1996) in an attempt to further define the deltaic facies of the Ferron Sandstone member of the Mancos shale. The Clear Creek Field (Unit) is part of a faulted anticlinal structure that is bordered on the east by the Pleasant Valley fault and on the west by the Joe's Valley system.

Anschutz will drill the following well in the fall of 1995:

1. Oman #2-20
1167 feet FNL and 1737 feet FEL (Surface Location)
2200-3100 feet FSL and 3000-3960 feet FEL (bottom hole location)
NW $\frac{1}{4}$ NE $\frac{1}{4}$ Section 20, T13S-R7E
Carbon County, Utah
Proposed Total Depth: 4500 feet

Anschutz will drill the following two wells during the summer of 1996:

1. Ridge Runner #13-17
362 feet FSL and 289 feet FWL
SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 17, T14S-R7E
Emery County, Utah
Proposed Total Depth: 6260 feet
2. Ridge Runner #11-20
1536 feet FSL and 1769 feet FWL
NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 20, T14S-R7E

The proposed wellsite is located on Fee Surface/Fee Minerals and will be directionally drilled to a bottom hole location on State Minerals. All access roads are also located on fee lands.

1. Estimated Tops/Geologic Markers

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Measured Depth</u>	<u>True Vertical Depth</u>
Mesa Verde	Surface	
Mancos	2106'	2021'
Ferron (Top)	3900'	3419'
Ferron (Base)	4400'	3850'
T.D.	4500'	3918'

2. Estimated Depths and Names of Anticipated Water, Oil, Gas or Other Minerals Bearing Formations.

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Gas	Ferron	3900'

3. Well Control Equipment & Testing Procedures

Anschutz's minimum specifications for pressure control equipment are as follows:
Ram Type: 11" Hydraulic double, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more



than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

- a. The size and rating of the BOP stack is shown on the attached diagram.

Oman #2-20

Lease No. ML-1256

1167' FNL and 1737' FEL (Surface Location)

2200-3100' FSL and 3000-3960' FEL (Btm. Hole Location)

NW NE Sec. 20, T13S - R7E

Carbon County, Utah

DRILLING PROGRAM

Page 4

- b. A choke line and a kill line are to be properly installed. The kill line is not to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. Casing Program

The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>New or Used</u>
Surface	0-300'	26"	20"	94#	H-40	Weld	Used
Intermed.	0-3900'	12-1/4"	9-5/8"	36#	J-55	LT&C	New
Produc.	0-4500'	8-3/4"	5-1/2"	15.5#	J-55	LT&C	New

Casing design subject to revision based on geologic conditions encountered.

5. Cement Program

Surface
0-300'

Type and Amount

± 580 sx 70% Class H & 30% 50/50 Poz with 3% Calcium Chloride, 0.25 lb/sk Flocele, mixed with fresh water, or sufficient to circulate to surface.

Intermediate

Type and Amount

250 sx Highfill cement with 1% Econolite, 0.25 lb/sk Flocele, 10 lb/sk Gilsonite, 3 lb/sk Granulite TR 1/4, 16% gel, 3% salt. 140 sx Class H cement with 0.1% Halad 344. 370 sx 70% Class H & 30% 50/50 poz with 0.25 lb/sk Flocele, 3 lb/sk Granulite TR 1/4. All mixed with fresh water. Sufficient volume to circulate to surface.

Oman #2-20

Lease No. ML-1256

1167' FNL and 1737' FEL (Surface Location)

2200-3100' FSL and 3000-3960' FEL (Btm. Hole Location)

NW NE Sec. 20, T13S - R7E

Carbon County, Utah

DRILLING PROGRAM

Page 5

Production

Type and Amount

290 sx 50/50 Poz with 0.1 % CFR-3, 10% salt, 0.2% Versaset. Mixed with fresh water. Top of cement at approximately 3600'.

Note: Actual volumes to be calculated from caliper log.

6. Drilling Fluids

The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	<u>Mud Type</u>	<u>Mud Wt.</u>	<u>Visc.</u>	<u>F/L</u>	<u>PH</u>
0-300'	Water				
300-3900'	LSND	8.8-9.2	32-40	8.5	---
3900-4500'	Nitrogen/foam	N/A	N/A	N/A	---

7. Testing, Logging and Coring

The anticipated type and amount of testing, logging and coring are as follows:

- a. No drill stem tests are anticipated.
- b. The logging program will consist of a DIL/DFL/GR/SP/BHC Sonic/GR/Cal from surface to 3950'. A DIL/SFL/GR/SP, ASPN/LDT/GR/Cal and Digital Dipole Shear sonic/GR/CAL and FMI/GR will be run from T.D. to 3950'.
- c. Two cores are anticipated in the Ferron formation from 4020'-4080' and from 4150-4210'.

8. Anticipated Pressures and H,S

- a. The maximum anticipated bottom hole pressure is 1200 psi.

Application for Permit to Drill
Anschutz Exploration Corp.

Oman #2-20

1167' FNL and 1737' FEL (Surface Location)

2200-3100' FSL and 3000-3960' FEL (Btm. Hole Location)

NW NE Sec. 20, T13S - R7E

Carbon County, Utah

CONFIDENTIAL - TIGHT HOLE

Lease No. ML-1256

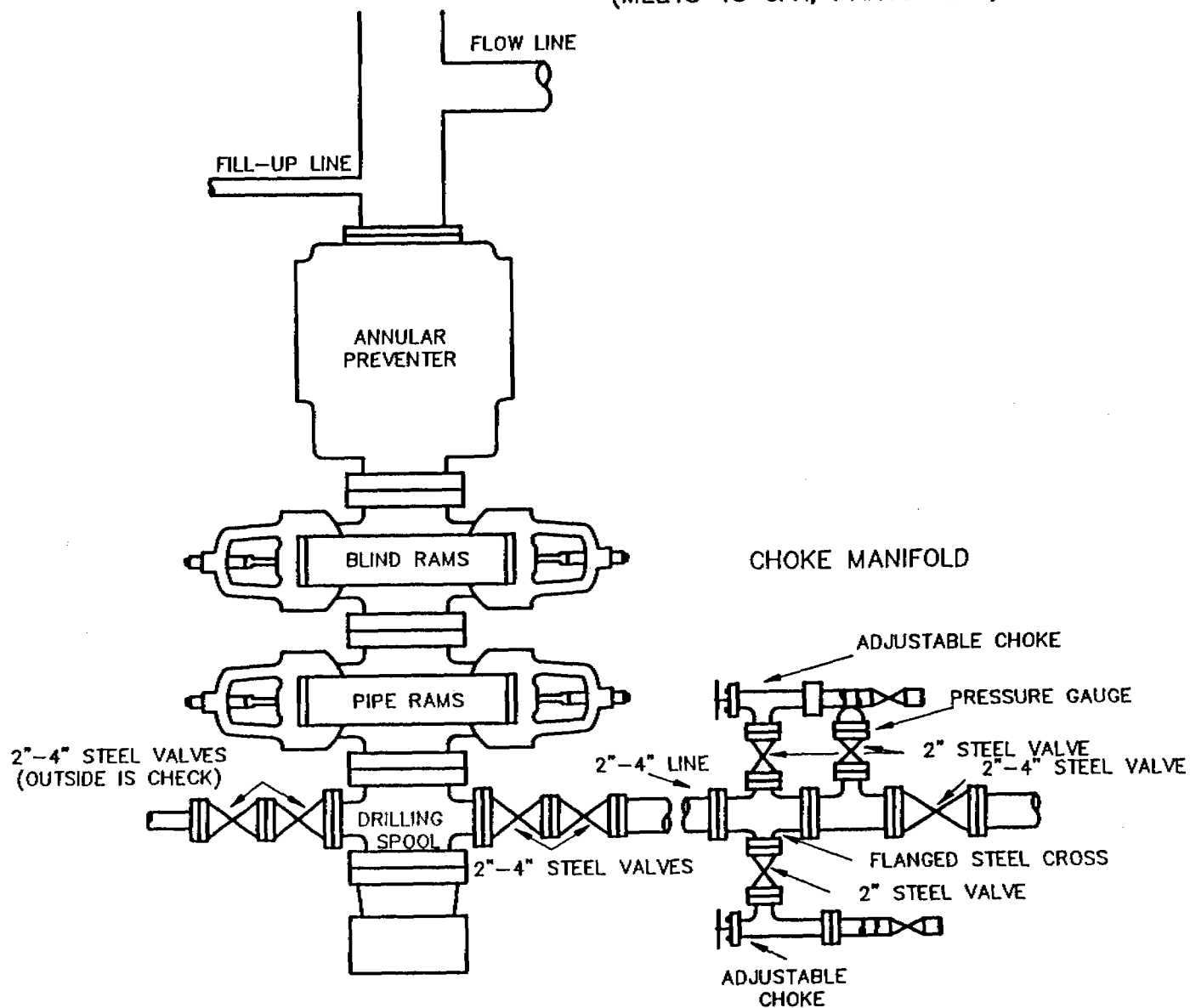
DRILLING PROGRAM

Page 6

9. Other Information

- a. A Class III archeological survey was conducted by Metcalf Archeological Consultants. No significant cultural resources were found and clearance has been recommended. A copy of this report is attached.
- b. Drilling is planned to commence immediately upon approval of this application.
- c. It is anticipated that the drilling of this well will take approximately 30 days.

THREE PREVENTER HOOKUP
CLASS III
(MEETS 43 CFR, PARTS 3160, 3M SPECIFICATIONS)



DRILLING PROGRAM

The following information should be included in the Application for Permit to Drill submitted.

- 1 Surface Formation and Estimated Tops/Geologic Markers
- 2 Estimated Depths and Names of Anticipated Water, Oil, Gas or other Mineral Bearing Formations

(All fresh water sands encountered during drilling shall be recorded and reported to the Division on Form 7.)
- 3 Well Control Equipment & Testing Procedures
- 4 Proposed Casing and Cementing Program
- 5 Mud Program, Circulating Medium, and Monitoring equipment
- 6 Coring, Testing, and Logging Program
- 7 Expected Bottom Hole Pressures and any anticipated Abnormal Pressures, Temperatures or Potential Hazards such as hydrogen sulfide, expectations and contingency plans for mitigating identified hazards
- 8 Any other information relative to the proposed operation.

Onsite Participants:

Todd Kalstrom-Land Manager Anschutz Corp.

Robert Griffin-Field Forman Anschutz Corp.

Regional Setting/Topography:

The proposed wellsite is located in the Wasatch Plateau physiographic province of Utah. It is directly adjacent to State Highway 95 south of Scofield, Utah. Highway 95 runs parallel to Mud Creek, which is on the opposite side of the highway from the proposed wellsite. The valley which contains Mud Creek is bracketed on both sides by high mountain ridges which are dissected by smaller drainages. The proposed wellsite is located on the edge of the valley floor near the end of one of the minor drainages which connects to the Mud Creek Drainage. There is no active surface flow in the drainage containing the proposed wellsite but there are a few seeps in the alluvium uphill from the location. These seeps are currently caught and diverted by a shallow ditch which has been cut by the landowner and runs across the proposed location. The entire area appears to have been previously disturbed and revegetated.

SURFACE USE PLAN:

Current Surface Use: Most of the area which will be disturbed for the well pad and reserve pit is within the fences of a sheep corral.

Proposed Surface Disturbance: A semi-rectangular pad will be constructed with approximate dimensions of 115' X 300'. A reserve pit with approximate dimensions of 50' X 200' will be cut into the slope on the uphill side of the pad.

1. Existing Roads The proposed wellsite is approximately 4 miles south of Scofield, Utah on State Highway 95. An active railroad grade, used for hauling coal, is located on the opposite side of the road from the proposed wellsite.
2. Planned Access Roads - include length of new road, length of existing road to be upgraded, maximum disturbed and travel surface widths, maximum grades, turnouts, surface materials, drainage, cattleguards The proposed wellsite is directly adjacent to Highway 95 and will only require construction of a turnout from the highway.
3. Location of existing wells within one-mile radius of proposed location, include water, injection, producing, drilling with present status of each well There are two existing P&A wells within a mile radius of the proposed location. The Cordillera-Utah Fuel #7, in section 17, and the Energetics Operating Co.-Kaiser Steel #1, in section 21. There are no water wells in section 20 as per the Water Rights P.O.D. database. There are two water wells listed in section 17 which are within a mile of the proposed location.
4. Location of Production Facilities and Pipelines A gas pipeline runs along Highway 95 and will allow for hookup if the well is productive.

5. Location and Type of Water Supply (include Division of Water Rights approval or identifying number) Water for drilling needs will be obtained from Clear Creek. Water Rights Temporary Application Number T69302, Water Right Number 91-4980
6. Source of Construction Material Onsite materials will be used for all construction on this location.
7. Waste Management Plan Drill cuttings are to be contained and buried in the reserve pit. Trash is to be contained during drilling and hauled to an approved site at the end of drilling operations. Sewage is to be placed in a chemical toilet or holding tank and hauled to an approved site at the end of drilling operations.
8. Ancillary Facilities No ancillary facilities will be constructed.
9. Well Site Layout The pad is to be rectangular in shape and will be constructed parallel to Highway 95. The reserve pit is also to be rectangular in shape and will be constructed on the uphill side of the pad. The layout is shown in detail on an attachment to the APD.
10. Surface Restoration Plans Surface restoration will be carried out as per landowner instructions. At the time of the onsite evaluation this was to include recontouring, reseeding and construction of an access road past the location to the property on the uphill side.

ENVIRONMENTAL PARAMETERS:

Affected Floodplain and/or Wetlands:

A 404 dredge and fill permit may be required if this site is in or adjacent to a wetland or other established drainage or floodplain. (Contact the Army Corps of Engineers if there are concerns of this nature) There are no water course or wetlands concerns at this location. This location is near Mud Creek but there is no direct drainage from the proposed site to the creek.

Flora/Fauna:

Briefly describe the flora found on the proposed site and the fauna evidenced or sighted on or near the proposed location Rabbit Brush, thistles, grasses, Sagebrush, There are scattered Blue Spruce and Quaking Aspen on the edge and just off of location. Most of the area to be disturbed is fenced and not accessible to wildlife other than birds, insects and rodents.

SURFACE GEOLOGY

Soil Type and Characteristics: Predominantly cobbles with a sandy loam matrix.

Surface Formation & Characteristics: Surface materials are quaternary alluvium which was derived from the Cretaceous Mesa Verde Group.

Erosion/Sedimentation/Stability: There is no active erosion or sedimentation at present and there is no evidence of such in the recent past. Building of a wellsite at this location should not cause any significant changes.

Paleontological Potential Observed: No paleontologic specimens were observed at this site.

RESERVE PIT

Characteristics: The reserve pit will be rectangular in shape with approximate dimensions of 200' X 50' X 10'.

Lining (Site ranking form attached): The reserve pit shall be lined with a synthetic liner.

OTHER OBSERVATIONS

Cultural Resources/Archaeology (if proposed location is on State land, has an archaeology clearance been obtained?): An archaeological survey was done by Metcalf Archeological Consultants. No significant cultural resources were found and clearance of the site was recommended.

Comments: Due to the seepages on the uphill side of the proposed wellsite, several test holes were dug in the area of the proposed reserve pit. As per Todd Kalstrom no water was encountered in any of the test holes.

Brad Hill
OGM Representative

10/11/95 1200
Date and Time

STATEMENTS OF BASIS
OGM Review of Application for Permit to Drill (APD)

Company: Anschutz Exploration Corp.

Well Name: Oman #2-20

ENGINEERING/LOCATING and SITING:

The proposed location meets the location and siting requirements of R649-2-3. The application and proposed casing and drilling plan appear to be consistent with accepted industry standards of practice and sound engineering design. A casing design safety check is attached. Blow out prevention and monitoring/contingency plans are adequate.

Signature: F.R. Matthews

Date: 10/12/95

GEOLOGY/GROUND WATER:

Fresh water may be encountered throughout the entire depth of the well. A 20 inch surface casing will be set at 300 feet and cemented to surface. This casing will protect water in the alluvium and sands of the upper Mesa Verde. A 9 5/8 inch intermediate casing will be set at 3900 feet at the top of the Ferron sands. Cement will be circulated to surface. A 5 1/2 inch production casing will be set at 4500 feet and cement will be circulated to 3600 feet. This casing and cement program should adequately protect and isolate any aquifers encountered.

Signature: D. Jarvis

Date: 10/15/95

SURFACE:

An onsite evaluation was conducted on 10/11/95 with Anschutz personnel. The proposed wellsite is located along the edge of State Highway 95 in alluvial gavels and soils. There is evidence a small amount of water seeping from the alluvium upslope from the proposed location. This water will be diverted around the wellsite. The proposed wellsite is across Highway 95 from Mud Creek but there is no direct drainage from the proposed site to the creek. The hydrologic resources of the area should be adequately protected by a drainage diversion around the location and the proper placement of a synthetic liner in the reserve pit. Due to the proximity of this site to the highway, a minimal amount of surface disturbance is required for this location and no adverse environmental impacts are anticipated.

Signature: Brad Hill

Date: 10/12/95

STIPULATIONS for APD Approval:

1. Pit is to be lined with a synthetic liner.
2. Drainage diversions are to be placed around the pad and reserve pit.

ATTACHMENTS:

1. Photos are available and will be placed on file.

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

Site-Specific Factors	Ranking Score	Final Ranking Score
Distance to Groundwater (feet) >200 100 to 200 75 to 100 25 to 75 <25 or recharge area	 0 5 10 15 20	20
Distance to Surf. Water (feet) >1000 300 to 1000 200 to 300 100 to 200 < 100	 0 2 10 15 20	15
Distance to Nearest Municipal Well (feet) >5280 1320 to 5280 500 to 1320 <500	 0 5 10 20	none
Distance to Other Wells (feet) >1320 300 to 1320 <300	 0 10 20	0
Native Soil Type Low permeability Mod. permeability High permeability	 0 10 20	20

Fluid Type Air/mist Fresh Water TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid containing significant levels of hazardous constituents	0 5 10 15 20	0
Drill Cuttings Normal Rock Salt or detrimental	0 10	0
Annual Precipitation (inches) <10 10 to 20 >20	0 5 10	10
Affected Populations <10 10 to 30 30 to 50 >50	0 6 8 10	0
Presence of Nearby Utility Conduits Not Present Unknown Present	0 10 15	15
Final Score		80

The summation of all of the above ranking scores will yield one value which shall be used to determine the appropriate type of containment, on a case-by-case basis. The sensitivity levels are as follows:

Level I Sensitivity: For scores totaling ≥ 20
Level II Sensitivity: For scores totaling 15 to 19
Level III Sensitivity: For scores totaling < 15

Containment Requirements According to Sensitivity Level

Level I: Requires total containment by synthetic liner, concrete structure or other type of total containment structure or material.

Level II: Bentonite or other compatible lining is discretionary depending on the fluid to be contained and environmental sensitivity.

Level III: No specific lining requirements.

OTHER GUIDELINES FOR PITS

1. Unlined pits shall not be constructed on areas of fill materials.
2. A pit shall not be constructed in a drainages or floodplain of flowing or intermittent streams.
3. Synthetic liners used for lining reserve pits, shall be of 12 mil thickness or greater and shall be compatible with the fluid to be contained. Synthetic liners used for lining Onsite pits with a longer expected life shall be a minimum of 30 mil thickness or as approved by the Division.
4. Synthetic liners shall be installed over smooth fill material which is free of pockets, loose rocks or other materials which could damage the liner.
5. Monitoring systems for pits or closed mud systems may be required for drilling in sensitive areas.

CONFIDENTIAL - TIGHT HOLE

Oman #2-20

**1167' FNL and 1737' FEL (Surface Location)
2200-3100' FSL and 3000-3960' FEL (Btm. Hole Location)
NW NE Section 20, T13S - R7E
Carbon County, Utah**

Prepared For:

ANSCHUTZ EXPLORATION CORP.

By:

**PERMITCO INC.
13585 Jackson Drive
Denver, Colorado 80241
303/452-8888**

CONFIDENTIAL - TIGHT HOLE

Copies Sent To:

- 3 - Division of Oil, Gas & Mining**
- 3 - Anschutz Exploration Corp. - Denver, CO**
- 1 - Cordillera Corporation - San Diego, CA**



Permitco Incorporated
A Petroleum Permitting Company

Emery County, Utah
Proposed Total Depth: 6190 feet

The Ferron sand section is the primary objective on the three wells stated above.

GAS MARKETING AND TRANSMISSION

Anschutz plans to utilize the existing gas gathering system within Clear Creek Field to market any gas produced from the three new wells in addition to the already producing wells. Gas volumes and rates are dependent upon the results of the wells described above.

LONG TERM OBJECTIVE

Anschutz will need the information obtained from the three wells stated above to further evaluate Clear Creek Field and its long range potential. Reservoir characteristics, remaining reserves, and gas volumes will all require additional evaluations before further drilling plans are submitted to the Bureau of Land Management, the U. S. Forest Service, and the Utah Division of Oil, Gas & Mining, by Anschutz. It is Anschutz' goal to prudently operate Clear Creek Field, and we will cooperate with all agencies to the best of our ability. In the event that the results of our drilling cause a change in our plans, Anschutz will submit a revised Plan of Development for detailing our revised schedule of operations.

This Plan of Development is respectfully submitted this 4th day of October 1995 by Anschutz Exploration Corporation.

CONFIDENTIAL - TIGHT HOLE

Oman #2-20

**1167' FNL and 1737' FEL (Surface Location)
2200-3100' FSL and 3000-3960' FEL (Btm. Hole Location)
NW NE Section 20, T13S - R7E
Carbon County, Utah**

Prepared For:

ANSCHUTZ EXPLORATION CORP.

By:

**PERMITCO INC.
13585 Jackson Drive
Denver, Colorado 80241
303/452-8888**

CONFIDENTIAL - TIGHT HOLE

Copies Sent To:

- 3 - Division of Oil, Gas & Mining**
- 3 - Anschutz Exploration Corp. - Denver, CO**
- 1 - Cordillera Corporation - San Diego, CA**



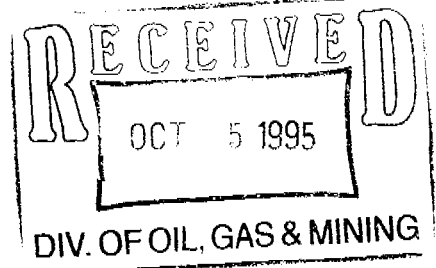


EXPLORATION CORPORATION

2400 ANACONDA TOWER • 555 SEVENTEENTH STREET • DENVER, COLORADO 80202 • 303-298-1000 • FAX 303-298-8881

October 4, 1995

Bureau of Land Management
Utah State Office
324 South State Street
Suite 301
Salt Lake City, UT 84111



Attention: Robert Hendricks

RE: Plan of Development
Clear Creek Unit
Carbon and Emery Counties, Utah

Gentlemen:

Attached for your review is the "Plan of Development" for Clear Creek Unit as prepared by Anschutz Exploration Corporation. This Plan was developed with the idea that we will drill three exploratory wells within the Clear Creek Unit commencing in the fall of 1995 and going through the drilling season of 1996. Once the results of the initial three wells are established, we will be in a better situation to submit to you a Plan of Development for the 1997 calendar year. At this point, our wells are located strategically geologically to establish production rates, reserves remaining, and to confirm geologically our concept of the extremely complicated structural element within the Unit.

Please call me at (303)299-1339 if you have any comments.

Sincerely,

ANSCHUTZ EXPLORATION CORPORATION

Todd Kalstrom
Division Land Manager

TK/tls

cc: Utah Division of Oil, Gas & Mining
Attention: Frank Mathews

Permitco
Attention: Lisa Smith

PLAN OF DEVELOPMENT

Clear Creek Unit
Carbon and Emery Counties, Utah
Submitted by Anschutz Exploration Corporation

BACKGROUND

Anschutz Exploration Corporation, 555 Seventeenth Street, Suite 2400, Denver, Colorado 80202, has negotiated a Farmout Contract with Cordillera Corporation which will allow Anschutz the right to drill gas wells within the Clear Creek Unit and to earn a portion of Cordillera's working interest and to assume the role of Unit Operator. Cordillera Corporation is the current Operator of Clear Creek Unit and is extremely encouraged by Anschutz' desire to establish additional gas reserves in this Federal Unit which dates back to September 7, 1956.

Anschutz Exploration Corporation's headquarters are in Denver, Colorado, and represents the oil and gas exploration and production effort of its parent company, The Anschutz Corporation. Anschutz has been a major player in the Rocky Mountain oil and gas business since the early 1970's and has been involved with a substantial number of oil and gas fields as Operator. Anschutz' technical staff represents one of the most experienced and innovative staffs in the United States. Our infrastructure of operations, land, engineering, and finance allow us to manage professionally and efficiently an inventory of oil and gas projects.

OBJECTIVE

This Plan of Development is submitted to summarize the tentative operational plans by Anschutz Exploration Corporation within the Clear Creek Unit for the time period extending from October 1, 1995, through December 31, 1996. It is Anschutz' understanding that the last Plan of Development was submitted during the mid-1970's and the Unit Operator and the BLM agreed that since no further drilling was scheduled after 1976, no further Plan of Development would be necessary until such time as additional drilling was scheduled.

EXPLORATORY DRILLING

Anschutz Exploration Corporation has scheduled to drill three exploratory wells over the next fifteen months (October 1995 through December 1996) in an attempt to further define the deltaic facies of the Fenton Sandstone member of the Mancos shale. The Clear Creek Field (Unit) is part of a faulted anticlinal structure that is bordered on the east by the Pleasant Valley fault and on the west by the Joe's Valley system.

Anschutz will drill the following well in the fall of 1995:

1. Oman #2-20
1167 feet FNL and 1737 feet FEL (Surface Location)
2200-3100 feet FSL and 3000-3960 feet FEL (bottom hole location)
NW¼ NE¼ Section 20, T13S-R7E
Carbon County, Utah
Proposed Total Depth: 4500 feet

Anschutz will drill the following two wells during the summer of 1996:

1. Ridge Runner #13-17
362 feet FSL and 289 feet FWL
SW¼ SW¼ Section 17, T14S-R7E
Emery County, Utah
Proposed Total Depth: 6260 feet
2. Ridge Runner #11-20
1536 feet FSL and 1769 feet FWL
NE¼ SW¼, Section 20, T14S-R7E

Emery County, Utah
Proposed Total Depth: 6190 feet

The Ferron sand section is the primary objective on the three wells stated above.

GAS MARKETING AND TRANSMISSION

Anschutz plans to utilize the existing gas gathering system within Clear Creek Field to market any gas produced from the three new wells in addition to the already producing wells. Gas volumes and rates are dependent upon the results of the wells described above.

LONG TERM OBJECTIVE

Anschutz will need the information obtained from the three wells stated above to further evaluate Clear Creek Field and its long range potential. Reservoir characteristics, remaining reserves, and gas volumes will all require additional evaluations before further drilling plans are submitted to the Bureau of Land Management, the U. S. Forest Service, and the Utah Division of Oil, Gas & Mining, by Anschutz. It is Anschutz' goal to prudently operate Clear Creek Field, and we will cooperate with all agencies to the best of our ability. In the event that the results of our drilling cause a change in our plans, Anschutz will submit a revised Plan of Development for detailing our revised schedule of operations.

This Plan of Development is respectfully submitted this 4th day of October 1995 by Anschutz Exploration Corporation.

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: ANSCHUTZ EXPL. CORP	Well Name: OMAN 2-20
Project ID: 43-007-30289	Location: SEC. 20 - T13S - R7E

Design Parameters:

Mud weight (9.20 ppg) : 0.478 psi/ft
 Shut in surface pressure : 1744 psi
 Internal gradient (burst) : 0.045 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

*** WARNING *** Design factor for collapse exceeded in design!

OK FRM

C/O 7-7-71									
Length (feet)		Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost	
1	3,900	9.625	36.00	J-55	LT&C	3,900	8.770		
	Load (psi)	Collapse Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load (kips)	Strgth (kips)	S.F.
1	1864	2020	1.084	1920	3520	1.83	140.40	453	3.23 J

Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 10-12-1995
 Remarks :

Minimum segment length for the 3,900 foot well is 1,500 feet.
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas temperature of 105°F (Surface 74°F , BHT 137°F & temp. gradient 1.400°/100 ft.)
 String type: Intermediate - Prod
 The minimum specified drift diameter is 8.750 in.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.07)

STATE OF UTAH, DIV OF OIL, GAS & MINERALS

Operator: ANSCHUTZ EXPL. CORP	Well Name: OMAN 2-20
Project ID: 43-007-30289	Location: SEC. 20 - T13S - R7E

Design Parameters:

Mud weight (8.33 ppg) : 0.433 psi/ft
 Shut in surface pressure : 1744 psi
 Internal gradient (burst) : 0.045 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

Length (feet)	Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost
1 4,500	5.500	15.50	J-55	LT&C	4,500	4.825	
	Collapse Load Strgth S.F. (psi) (psi)			Burst Load Strgth S.F. (psi) (psi)	Min Int Yield Strgth S.F. (psi)	Tension Load Strgth S.F. (kips) (kips)	
1	1947	4040	2.075	1947	4810	2.47	69.75 217 3.11 J

Prepared by : MATTHEWS, Salt Lake City, Utah
 Date : 10-12-1995
 Remarks :

Minimum segment length for the 4,500 foot well is 1,500 feet.
 SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas
 temperature of 105°F (Surface 74°F , BHT 137°F & temp. gradient 1.400°/100 ft.)
 String type: Production
 The mud gradient and bottom hole pressures (for burst) are 0.433 psi/ft and
 1,947 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guideline, Lone Star Steel recommends using minimum design factors of 1.125 - collapse (with evacuated casing), 1.0 - (uniaxial) burst, 1.8 - API 8rd tension, 1.6 - buttress tension, 1.5 - body yield tension, and 1.6 - EUE 8rd tension. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.
 Costs for this design are based on a 1987 pricing model. (Version 1.07)



State of Utah
Division of Oil, Gas & Mining (OGM)

**ON-SITE PREDRILL EVALUATION AND REVIEW
FOR
APPLICATION FOR PERMIT TO DRILL (APD)**

OPERATOR

ANSCHUTZ EXPLORATION CORP.

WELL NO.

OMAN 2 - 20

LEASE NO.

ML - 1256

API No.

43-007-30289

LEASE TYPE

State ☒

Fee ☐

PROPOSED LOCATION

1/4/1/4

NW NE & SE NW

SECTION

20

TOWNSHIP

13 S

RANGE

7 E

COUNTY

CARBON

FIELD

CLEAR CREEK (010)

SURFACE

1167 FNL 1737 FEL

BOTTOM HOLE

✓ WINDOW 2200 - 3100 FNL & 3000 - 3960 FEL SEC 20, T13S, R7E

GPS COORDINATES

4392014 N 486297 E

SURFACE OWNER

Milton A. Oman, LTD c/o Bessie Oman 1714 E. Millcreek Way, SLC

SURFACE AGREEMENT

Yes ☒

No ☐

CONFIDENTIAL

Yes ☒

No ☐

LOCATING AND SITING

☒

UAC R649-2-3.

Unit

UTU - 63018X

☐

UAC R649-3-2. General

☐

UAC R649-3-3. Exception

☐

UCA 40-6-6. Drilling Unit

--

Cause No.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

October 17, 1995

Anschutz Exploration Corp.
555 17th Street, Suite 2400
Denver, Colorado 80202

Re: Oman #2-20 Well, 1167' FNL, 1737' FEL, NW NE, Sec. 20, T. 13 S., R. 7 E.,
Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30289.

Sincerely,


R. J. Firth
Associate Director

pjl

Enclosures

cc: Carbon County Assessor
Bureau of Land Management, Moab District Office

WAPD



Operator: Anschutz Exploration Corp.

Well Name & Number: Oman #2-20

API Number: 43-007-30289

Lease: State ML-1256

Location: NW NE Sec. 20 T. 13 S. R. 7 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. On-site Predrill Evaluation and Review

Compliance with all requirements and stipulations developed during the onsite evaluation and review.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: ANSCHUTZ CORP.

Well Name: OMAN 2-20

Api No. 43-007-30289

Section 20 Township 13S Range 7E County CARBON

Drilling Contractor CAZA

Rig # 16

SPUDDED: Date 12/18/95

Time

How DRY HOLE

Drilling will commence JANUARY 1996

Reported by DAVE DLANGHY

Telephone #

Date: 12/21/95 SIGNED: FRM

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator:

Anschutz Exploration Corporation

3. Address and Telephone Number:

555 17th Street, Ste. 2400, Denver CO 80241 (303) 289-1000.

4. Location of Well

Footages: 1167' FNL & 1737' FEL (surface), 2200' - 3100' FSL & 3000' -

3960' FEL (Target)

CO, Sec. T. R. M.

NW/4, NE/4, Sec. 20, T 13 S-- R7E

5. Lease Designation and Serial Number:

ML - 1256

6. If Indian, Allocated or Tribal Name:

N/A

7. Unit Agreement Name:

Clear Creek Unit

8. Well Name and Number

Oman # 2-20

9. API Well Number:

4300730289

10. Field and Pool, or Wildcat

Wild cat

County: Carbon

State: Utah

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other | |

Approximate date work will start

SUBSEQUENT REPORT (Submit Original Form Only)

- | | |
|---|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Perforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other <u>Run intermediate casing.</u> | |

Date of work completion 1/22/96

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

A 13 3/8" intermediate casing string was run to isolate shallow water flows.

This string consisted of 824' of 54.5 #, K-55, buttress casing.

It was cemented to surface with 535 sks 50/50 Poz and 230 sks Class "G" cement.

Verbal approval to commence work was received from Division Office (Frank Mathews).

13.

Name & Signature:

James C. Ireland

Title:

Eng. Mgr.

Date:

1/31/96

(This space for State use only)

Oman #2-20
Operator: AEC
 1167' FNL & 1737' FEL
 NWNE Section 20, T13S, R7E
 Carbon County, Utah
 Clear Creek Prospect
 4500' Ferron
 AEC WI: 100%
TIGHT HOLE

- 12/14/95 Building location.
- 12/15/95 Building location.
- 12/16/95 Building location.
- 12/17/95 Building location.
- 12/18/95 Building location - 75% complete.
- 12/19/95 Move in equipment to set conductor and surface casing.
- 12/20/95 PO: Build location and set conductor. Robinson Construction expects to complete location on 12/21/95. Bill Jr. Rat Hole driller set & cemented 76' of 30" conductor. Will commence drilling surface hole on 12/21/95.
- 12/21/95 PO: Commence drilling surface. Finish building location and installed pit liner. Completed fence around location. Will have to blade location after Bill Jr. drills surface.
- 12/22/95 PO: Drilling surface. Bill Jr. Rathole moved in and RU. Ready to drill, but had fuel and engine problems. SD until a.m.
- 12/23/95 PO: Drilling surface. Drill f/76-100' w/17-1/2" bit. At 100' bit stuck. Work bit loose and pulled to surface. TIH, found 6' of fill. Redrilled to 100', bit stuck again. No cuttings to surface. Work bit free and POOH. SDFN.
- 12/24/95 PO: SD for Christmas. RU bucket rig and clean hole w/24" bucket from 76' to 100' (loose rock and clay). Continued recovering clay to 105'. Drill 10' of sandstone to 115'. Prep bottom to set 20" pipe for temporary conductor while air drilling.
- 12/25/95 SD for Christmas.
- 12/26/95 SD for Christmas.
- 12/27/95 PO: WO air hammer. Run 115' of 20" w/bucket rig. RD and RU air rig. NU air head and PU pipe. Blow hole, water from 20" backside dropped. LD pipe and cut off head. Weld on 4-1/2' of 20" (csg measurement incorrect). Drove 20" down 3-1/2', depth = 116'. NU air and drill f/115-220'. Hammer brokedown, hauled same to Vernal to change out.
- 12/28/95 PO: POOH w/17-1/2" bit & hammer. MU new hammer w/17-1/2" bit. NU air head and PU pipe. Drill f/220-222'. Could not drill. LD 17-1/2" and PU 12-1/4" bit & hammer. NU air head and drill 12-1/4" f/222-310'. LD 12-1/4" and PU 17-1/2". NU air head and open hole to 17-1/2". Ream f/222-278'. Bit plugged off. POOH.
- 12/29/95 PO: Start up @ 7:00. RD & release Air rig. MI & RU Bucket rig. Attempt to fill hole w/water. After 2 loads hole taking fluid. Call for mud w/LCM. Pump LCM, 55-60 visc mud downhole (65 bbls @ 2000 hrs). Mud dropped down 30' and stayed. Let set until 7:00 a.m.

- 12/30/95 PO: Opening 17-1/2" hole. Pulled 116' of 20" csg. Drill mouse hole 33' and set 20". Used 20 bbls of mud w/LCM in mouse hole. Have approximately 50 bbls mud in 26" hole. Drill 26" hole f/110-190'. Opened f/17-1/2". SD @ 2000 hrs.
- 12/31/95 PO: Drilling 26" surface hole. Open 17-1/2" hole to 26" from 190-225' w/Bucket rig.
- 01/01/96 PO: Drilling 26" surface hole. Open 17-1/2" hole to 26" from 225-265' w/Bucket rig.
- 01/02/96 PO: Drilling 26" surface hole. Open 17-1/2" hole to 26" from 265-291' w/Bucket rig.
- 01/03/96 PO: Prep to run surface csg. Open 17-1/2" hole to 26" from 291-298' w/Bucket rig.
- 01/04/96 PO: WOC. Run and set 293' of 20" csg.
- 01/05/96 PO: WO Rotary Rig. WO cement - cut off 20" to move rig. Drill rat hole. Loadout equipment. Release rig. Location needs leveling.
- 01/06/96 WORT.
- 01/07/96 WORT.
- 01/08/96 WORT.
- 01/09/96 WORT.
- 01/10/96 WORT.
- 01/11/96 WORT. Haul 4 belly dump loads of gravel and leveled location.
- 01/12/96 WORT.
- 01/13/96 MI Nabors rig no. 181. Enlarge location w/D-8L Cat and fill in front.
- 01/14/96 Continue MIRU.
- 01/15/96 Day 1. 431' (431'). PO: Drilling. RURT. **Spud well @ 0300 hrs, 1/15/96.** Drill rathole w/spinning chain. Test BOP's, blinds, pipe w/rig pump. Test csg to 450#. PU BHA. Test Hydril annular, dart valve, manual choke valve to 450 psi. Drill cement f/268-308', survey. Drill f/308-400', survey. Drill f/400-431', survey. Small water flow encountered @ 400'. Fluids freezing @ surface when making connections or on surveys. All pressure checks recorded on chart. Surveys: 3/4° @ 270'; 1-13/4° @ 360'; 1-1/2° @ 389'.
- 01/16/96 Day 2. 1000' (569'). PO: WOC for water flow. Drill f/431-489', survey. Drill f/489-578', survey. Drill f/578-693', survey. Drill f/693-733', rig service. Drill f/733-754', survey. Drill f/754-819', survey. Drill f/819-914', survey (water flow). Drill f/914-1000'. Circ btms up and drop survey. TOOH, LD DC's. Stripped out due to water flow of 150-180 gpm. WO Halliburton to cement water flow @ 375'. Surveys: 1-1/2° @ 487'; 1-3/4° @ 536'; 2-1/4° @ 653'; 2-1/4° @ 714'; 2° @ 874'.
- 01/17/96 Day 3. 1000' (0'). PO: WOC. WOC (Halliburton), operate BOP's. Strip out of hole and TIH openended (150 gpm flow). Cement @ 375' with 150 sx Class "G" cement w/3% CaCl. WOC. Well still flowing back 150+ gpm. Cement @ 375' w/50 sx cement w/3% CaCl. WOC. Open well, flowing @ 25 gpm. Cement @ 375' w/150 sx cement w/3% CaCl. WOC. Open BOP, check flow, small flow. LD extra DC's (mousehole). WOC to cure prior to tagging. Survey: 2° @ 1000'.

- 01/18/96 Day 4. 1000' (0'). PO: Pump 10 ppg mud to kill water flow. WOC to cure. Make up bit, TIH and tag cement @ 260'. Drill cement f/260-282' (stringers). TIH w/stds to 337'. Drill f/337-353', stringers of cement. Drill solid cement f/353-460'. W&R f/460-1000', no cement apparent. Circ, set back kelly and drain. TOOH. Tongs freezing, no boiler yet. PU motor and directional equipment. Water flow started. LD motor, PU DP and TIH to 400'. Mix mud, build volume: Vis to 42, MW to 10 ppg w/bar & gel. Boiler down again, water pump froze while running from river. Also #1 rig pump froze. Prep to pump weighted fluid.
- 01/19/96 Day 5. 1000' (0'). PO: ND BOP. Mix mud to 10 ppg. TIH w/4 stds DP. Pump 10 ppg fluid and water flow continued, (did not kill flow). Boiler now running, thaw out rig - suction, brakes, etc. Move DC's, pipe racks to get to BOP stack. WO Dowell. RU Dowell. Cement 75 sx Thixotropic plug @ 185' in 20" csg. WOC (pipe out of hole, blinds shut). ND BOP stack and 13-5/8" x 3000 R section.
- 01/20/96 Day 6. 1000' (0'). PO: Drilling cement. WOC. ND BOP's, NU spacer spool and 20" Hydril annular preventer. Studs in top of preventer had to be removed w/cheeter & air chugger. RIH to LD DC's, tag @ 150'. LD DC's & pipe (extra). Check 20" annular. PU 3 8" DC's, 17-1/2" bit (re-tip), DP and RIH to 150'. Drill cement f/150-155' (green). Stingers @ 180-185'; 229-235'; 260-268'; 290-302'. Old cement being drilled w/17-1/2" diameter bit.
- 01/21/96 Day 7. 1000' (0'). PO: TOOH. Drill hard cement to 308'. LD DP and PU DC's. Drill f/308-440', survey. Drill f/440-534', survey. Drill f/534-598', survey. Drill f/598-635'. Rig repair - pump. Drill f/635-691', survey. Drill f/691-784', survey and rig service. Drill f/784-860'. Rig repair - pump. Drill f/860-876', survey. Drill f/876-1000'. C&C hole. Drop survey, blow kelly. TOOH. Surveys: 1° @ 398'; 1-3/4° @ 493'; 1-3/4° @ 556'; 2-1/4° @ 649'; 2-1/2° @ 743'; 2-1/4° @ 834'.
- 01/22/96 Day 8. 1000' (0'). PO: Weld on 13-5/8" head. TOOH. RU casers and run csg as follows: 20 jts (823.5') of 13-3/8", 54.5# K-55 Butt csg. Casing wall stuck @ 824', landed @ 818'. RU, circ csg. Could not go down or up and could not rotate. Broke circ @ once. RU Dowell and cement csg w/535 sks 50/50 Poz, 230 sks Class "G" cement. Had ±30 bbls to pit. Monitor surface to verify that cement remained up. WOC, open hole below csg. Cut off 13-3/8", set out 20" Hydril annular. Cut off 20" wellhead. Fill 6' of annulus w/cement. Weld gussets and plate between 13-3/8" and 20" csg. Pre-heat 13-5/8" csg head and weld on same.
- 01/23/96 Day 9. 1000' (0'). PO: TIH w/mud motor. Weld on 13-5/8" head and test. NU BOP stack. Pressure test csg, pipe, blind rams and manifold to 1500 psi. TIH, drain manifold & choke lines and fill w/diesel. Tag cement @ 770'. Drill cement w/9-7/8" from 770-817'. Drill float shoe @ 818'. Small bridge @ 850'. W&R to 852'. TIH to 1000'. TOOH, LD 8" DC's (tools freezing). PU bit, and mud motor. Motor froze and would not turn. Tried steaming on motor. LD Monel collar and mud motor. PU other motor, orient same and TIH w/BHA steering assy.
- 01/24/96 Day 10. 1204' (204'). PO: Drilling w/motor. PU 4 DC's & BHA. Check motor, MWD, and run survey. Drill f/1000-1079'. Rig service - check BOP's, pull into csg and work on shaker. WO shaker parts - repair shaker. RIH and W&R 90' to btm. Drill f/1079-1110'. Install rotating head. Drill f/1110-1173'. Repair swab in pump #1. Drill f/1173-1204'. Surveys: 2.2°, 96.3 @ 973'; 2.6°, 160.9 @ 1067'; 3.3°, 217.2 @ 1161'.

Formation Tops:

Mancos - Sandstone, Siltstone, Coal, no shows, cemented sand, firm.

01/25/96 Day 11. 1721' (517'). PO: Drilling w/motor (slide & rotate). Drill f/1204-1267'. Rig service - check BOP's. Drill f/1267-1368'. Rig repair - pull 5 stds, repair shaker motor. RIH and wash 100' to btm. Drill f/1368-1668'. Work on #2 pump. Drill f/1668-1721'. At report time: 20' under target line and gaining. Small 1-1/2" to 2" water flow @ 1708-1720'. Mancos formation: 98% Sandstone, 2% Coal and traces of Pyrite. Surveys as follows:

<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
7.4°	232.0	1255'
10.7°	234.1	1318'
12.0°	236.2	1349'
15.6°	236.9	1440'
18.0°	233.4	1532'
22.1°	225.6	1625'

01/26/96 Day 12. 1922' (201'). PO: TIH and W&R. Drill f/1721-1922' (slide & rotate). Rig repair: work on #2 pump. Trip out to csg @ 818'. Welder cut into pump module while attempting to change valve seats. WO pump module. Install module. TIH w/±50 gpm flow. W&R small bridge f/1400-1405'. TIH to 1725'. W&R @ report time. Surveys as follows:

<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
24.9	226.3	1720'
27.8	228.4	1813'
28.5	227.7	1845'
31.7	227.7	1922'

01/27/96 Day 13. 2134' (212'). PO: Rig repair. W&R to btm. Drill f/1922-2012' in sandstone and siltstone. Slide & rotate after orienting motor. Rig service - check BOP's. Drill f/2012-2134'. TOOH, LD MWD probe. TOOH for bit. Clean up 300 gallon fuel spill. TIH and test MWD probe. Pump #1 air clutch smoking. Rig repair - air clutch on pump #1.

Surveys:

<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
33.1°	229.2	2000'
35.1°	226.4	2094'

01/28/96 Day 14. 2323' (189'). PO: W&R @ 1610'. Repair pump clutch. TIH and install rotating head. W&R under gauge hole (130'), 20' under gauge. Drill f/2134-2173', rotate & slide. TOOH to repair MWD. Work on MWD, TIH, check MWD and install rotating head. W&R. Drill f/2173-2323', survey. TOOH, change BHA. LD directional tools. W&R f/1147-1610'.

Surveys:

<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
36.7°	225.2	2186'
37.3°	226.4	2280'
37.6°	226.4	2323'

Formation Top:

Middle Mancos 2200' MD 2105' TVD

01/29/96 Day 15. 2780' (457'). PO: Drilling & rotating in Mancos/Bluegate siltstone & shale. W&R f/1610-2323'. Drill f/2323-2411', survey and rig service. Drill f/2411-2507', survey. Drill f/2507-2598', circ & survey. Drill f/2598-2693', survey. Drill f/2693-2780'. Last 24 hrs - no hole problems. **Surveys:**

<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
37°	229.59	2370'
36°	231.50	2466'
36°	232.00	2557'
35°	232.00	2652'

01/30/96 Day 16. 2950' (170'). PO: Survey. Drill f/2780-2819'. TOOH, tight f/2578-2206'. LD in 12 singles w/20M-70M# over. PU new BHA - 7 more DC's. TIH and W&R 60', no problem on trip in. Drill f/2819-2920', survey - misrun. Drill f/2920-2950', survey (XO sub plugged @ top of DC's). TOOH, XO sub semi-plugged w/gelled material. TIH, no problems on trip. Check BOP and survey. Mancos/Bluegate, siltstone & shale last calculation: MD 2920'; TVD 2690'.

Survey:

<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
34°	233	2920'

01/31/96 Day 17. 3441' (491'). PO: Drilling. Drill f/2950-3042', survey and check BOP. Drill f/3042-3136', survey. Reduced rpm to raise angle. Drill f/3136-3228', survey. Drill f/3228-3321', survey. Drill f/3321-3414', survey. Drill f/3414-3441'. Mancos Formation, siltstone & shale last calculation: MD 3383'; TVD 3066'.

Surveys:

<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
35°	234.60	3011'
35°	234.60	3105'
36°	234.60	3197'
37°	236.60	3290'
38°	238.60	3382'

02/01/96 Day 18. 3778' (337'). PO: Drilling in Mancos shale. Drill f/3441-3465'. Make 20 std wiper trip f/3465', 1571' w/no hole problems, no tight spots. Drill f/3465-3506', rig service and survey. Drill f/3506-3600', survey. Drill f/3600-3693', survey. Drill f/3693-3724'. Make 20 std wiper trip to 1750' w/10M-30M# over on trip out. Slick going back down, wash 30'. Drill f/3724-3778'. Mancos sandstone, siltstone, shale last calculation: MD 3662'; TVD 3281'.

Surveys:

<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
40°	237.60	3475'
40°	239.60	3600'
40°	239.60	3662'

02/02/96 Day 19. 4032' (254'). PO: Drilling in Ferron sand. Drill f/3778-3785', survey. Rig service - check BOP. Drill f/3785-3879', survey. Drill f/3879-3942'. Circ samples in Ferron. TOOH, LD stabilizers, bit and jars. Chg out BHA, TIH (no hole problems). Circ out trip gas. Drill f/3942-3967', survey. Drill f/3967-4032' (reduce bit weight to hold angle).

Formation Top:

Ferron SS MD 3910' TVD 3467'
(Datum + 4514'; 80% sandstone; 20% shale)

Surveys:

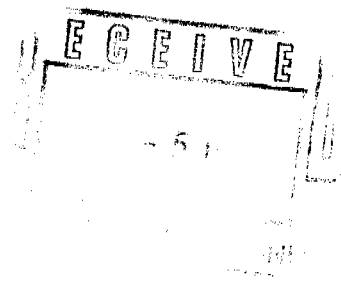
<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
41°	241.60	3755'
42°	241.60	3840'
42°	242.60	3936'

02/03/96 Day 20. 4342' (310'). PO: Survey. Drill f/4032-4061', survey. Drill f/4061-4154', survey. Rig service - operate BOP. Drill f/4154-4204'. Make wiper trip to 1700'. TIH (no hole problems). Circ trip gas for geologist. Drill f/4204-4248', survey. Drill f/4248-4342', survey. Ferron formation: show f/4061-4068', 1 min/ft, 2400 units C1 (coal); f/4080-4130', 200 units C1, 90% sandstone w/90% fluorescence. **Surveys:**

<u>Degrees</u>	<u>Direction</u>	<u>Depth</u>
40°	242.6	4031'
38°	243.6	4124'
36°	244.6	4217'

- 02/04/96 Day 21. 4359' (17'). PO: W&R. Drill f/4342-4359'. TOOH to 818', lost circ @ 4359'. Mix LCM (22%) (poor mixing capabilities). TOOH (strip through annular), well flowing water @ ± 250 gpm. LD Monel DC and rejet bit (3-20's). TIH, strip through annular, install rotating head and displace water out of hole w/mud @ 1162'. W&R f/1162-1795' (8M-10M# WOB). Mix & build volume. Hole taking fluid @ bottom, water flow from top of hole. W&R f/1795-2100' (8M-10M# WOB). TIH w/stds to 3947'. W&R f/3947-4359' (6M-8M# WOB). Stop, circ LCM through system. Gas off bottom = 7500 units. Last 24 hrs lost ± 400 bbls mud.
- 02/05/96 Day 22. 4359' (0'). PO: W&R. W&R f/3947-4359'. Circ, build volume @ 4351'. Lost returns, TOOH and tight @ 1623'; 1529' and 1249' (50M# over). Trip out to 818'. Build volume, cut drill line and pump 300 bbls - no returns. Build more volume w/25% LCM. Install rotating head. TIH, water flow @ surface, tag @ 1251'. W&R f/1251-1820'. Work tight hole f/1820-1760'. TOOH to 1760', mix & build volume. W&R f/1760-3015'. Moved in 275 bbl pre-mix tank for extra volume. Reaming takes 6M-12M# WOB. At report time had 1200 units maximum gas.
- 02/06/96 Day 23. 4375' (16'). PO: Mix and build volume. W&R f/2685-2785' (8M-10M# WOB). TIH f/2785-3892'. Mix & build volume. W&R f/3892-3982'. TIH to 4137' and ream f/4137-4334'. Circ and mix mud + LCM to 25%. Drill f/4359-4375'. Drilled 4', then lost returns. Regained returns as mud volume ran out. TOOH to DC's (541'). Clean mud tanks, rebuild volume, mix LCM, and had water flow @ surface. Rig mud tank 30% solids. Hopper on pre-mix washed out. Pit pump froze. Fill hole f/550' with mud to displace freshwater. Last 24 hrs: lost 525 bbls mud.
- 02/07/96 Day 24. 4540' (165'). PO: Drilling in Ferron, 80% sandstone, 20% shale. Mix mud, build volume. Rig repair - pre-mix hopper. TIH to 1376'. Displace water from water flow out of hole. Kill flow (250-300 gpm). TIH to 2311' and wash bridge @ 2311'. TIH to 3876' and wash bridge @ 3876'. TIH to 4350'. Mix mud & volume to replace water cut mud. Raise LCM to 25%, Vis to 50. Drill f/4375-4540'. Lost returns @ 4376', regained returns @ 4380'. Maximum 8400 units trip gas @ circ from bottom. Last 24 hrs lost ± 275 bbls mud through seepage. Able to maintain rig mud tank level with feed from pre-mix tank @ 25% LCM mix + gel. Last 96 hrs lost ± 1100 bbls mud.
- 02/08/96 Day 25. 4624' (84'). PO: Drilling. Drill f/4540-4586', bit starting to torque. TOOH SLM 4588', no correction from 4586'. Rig service - function test BOP's. TIH and work to unplug bit or string. TOOH, stop every 10 stds, attempt circulation. Unplug 2 jts DP @ XO. Collar partially plugged. TOOH to bit, remove float. TIH, stop, break circ @ 600' and @ 2300'. W&R 150' to btm w/10' fill. Drill f/4586-4624'. Last 24 hrs lost ± 250 bbls mud; cum mud lost = 1350 bbls (hole seepage/no large sudden losses). Note: total well depth to be 100' into re-entry of Mancos shale. Possible shale entry @ 4620'. Board = 4586'; SLM = 4588', no correction.
- 02/09/96 Day 26. 4780' (156'). PO: NU BOP. Drill f/4624-4687'. Rig service - function test BOP's. Drill f/4687-4780'. C&C for logs. TOOH to 1234'. Pump 9.4 ppg fluid f/1234' to surface. TOOH, remove rotating head. ND BOP stack, install bowl reducer bushing and NU BOP. Last 24 hrs: lost ± 50 bbls mud; cum bbls lost = 1400.
- 02/10/96 Day 27. 4780' TD (0'). PO: TIH w/log. RU Schlumberger to log. Run openhole logs. Extremely slow getting logs to bottom. First run: Gamma Induction Neutron Density. Tool quit working 3 times before obtaining log. Second run: Sonic. Third run: Attempted to run Formation Micro Images. Stacked out on bridge @ 1750'. TOOH w/logs. TIH w/bit. Small bridge @ 1750-1752'. TIH to 4780', washed down last 60', 5' full on bottom. C&C hole. TOOH and RU loggers. RIH w/"E" log tools. Lost approximately 100 bbls mud during tripping & logging. Cum bbls lost = 1500.

- 02/11/96 Day 28. 4780' TD (0'). PO: Circ for second stage. RU and run FMI log. Log tool hung up @ 3890' while coming up hole. RD loggers. TIH w/DP & bit, (no bridges, no fill). C&C hole. Rig service - function BOP. LD DP & DC's. ND rotating head and NU flow nipple. RU and run 110 jts 5-1/2" 15.5# csg, landed @ 4780'. Circ for cement and RU Dowell. Cement first stage w/323 sx Thixotropic cement. Inflate ECP pkr. Open DV tool and circ for second stage. Bridge @ 3890', csg slid through. Full circ on first stage cementing. Final survey: 1897', 235.4 deg in target; 28.2°, 242 @ 4780'.
- 02/12/96 Day 29. 4780' TD (0'). PO: Release rig. Circ through stage tool @ 1823'. Cement second stage w/821 sx 50/50 Poz cement. Full circ, floats & plugs held. RD Dowell, ND BOP's, set csg slips w/78M# on slips and clean mud tanks. **Release rig @ 1500 hrs, 2/11/96. FINAL DRILLING REPORT.**
- 02/13/96 Load out premix tank, inspect DC's: 1 cracked 8", worn threads on 2 saver subs. Haul off water and mud from reserve pit. Expect to move rig off on 2/13/96 or 2/14/96.
- 02/14/96 WOCT.
- 02/15/96 RD and move out Nabors rig no.181. Loads on location = 6. Hauled mud and water from reserve pit.



2400 ANACONDA TOWER • 555 SEVENTEENTH STREET • DENVER, COLORADO 80202 • 303-298-1000 • FAX 303-298-8881

February 29, 1996

State of Utah
Dept. of Natural Resources
Div. of Oil, Gas & Mining
355 W. N. Temple
3 Triad Center, Ste. 350
Salt Lake City, UT 84180
Attn: Mr. Frank Matthew

RE: *OMAN #2-20 Well*
Carbon County, Utah
Logs/State Reports

43-007-30289

UNFILED

Dear Mr. Matthew:

Enclosed please find the referenced documents for your records.

Feel free to contact me at (303) 299-1344, if you have any questions.

Sincerely,

ANSCHUTZ EXPLORATION CORPORATION

Susan M. Balano
Drilling/Production Technician

SMB
Enclosures



2400 ANACONDA TOWER • 555 SEVENTEENTH STREET • DENVER, COLORADO 80202 • 303-298-1000 • FAX 303-298-8881

FACSIMILE COVER SHEET

PLEASE DELIVER THE FOLLOWING PAGES

TO: Brad Hill NUMBER: _____
TO: _____ NUMBER: _____
TO: _____ NUMBER: _____
TO: _____ NUMBER: _____

FROM: Todd Kalstrom
DATE: _____

YOU WILL RECEIVE 8 PAGES OF COPY - INCLUDING THIS COVER LETTER

WE ARE TRANSMITTING FROM A PANAFAX UF 640 FACSIMILE MACHINE. OUR DIRECT FAX NUMBER IS (303) 298-8881

IF THERE ARE ANY PROBLEMS WITH RECEIPT, PLEASE CALL AS SOON AS POSSIBLE. OUR MAIN TELEPHONE NUMBER IS (303) 298-1000.

CONTACT PERSON: Tammy EXT.: 331

COMMENTS: _____

CONFIDENTIALITY NOTE: The information contained in this facsimile transmittal sheet and document(s) that follow are for the exclusive use of the addressee and may contain confidential, privileged, proprietary and non-disclosable information. If the recipient of this facsimile is not the addressee, or person responsible for delivering this facsimile to the addressee such recipient is strictly prohibited from reading, photocopying, distributing or otherwise using this facsimile transmission, or its comments, in any way. If the recipient has received this facsimile transmission in error, please call us immediately and return the facsimile transmission to us via the United States Postal service. We will gladly reimburse your telephone and postage expenses. Thank you.



2400 ANACONDA TOWER • 555 SEVENTEENTH STREET • DENVER, COLORADO 80202 • 303-298-1000 • FAX 303-298-8881

VIA FACSIMILE

October 12, 1995

Mr. Brad Hill
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
Oil and Gas Program
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

RE: Oman #2-20
Carbon County, Utah

Dear Brad:

As we discussed on location yesterday, please find a copy of "Right-of-Way and Surface Damage Agreement" for the captioned well. This shall document in your files that Anschutz has negotiated an arrangement with the fee surface owner allowing us access.

Sincerely,

ANSCHUTZ EXPLORATION CORPORATION

Todd Kalstrom
Division Land Manager

TK/tls

RIGHT-OF-WAY AND SURFACE DAMAGE AGREEMENT
OMAN #2-20 Well

This agreement is made and entered into by and between **ANSCHUTZ EXPLORATION CORPORATION** ("Anschutz"), 2400 Anaconda Tower, 555 Seventeenth Street, Denver, Colorado 80202, and **MILTON A. OMAN, LTD**, c/o Bessie G. Oman, 1714 Millcreek Way, Salt Lake City, UT 84106 (hereinafter referred to as "Grantor").

WHEREAS, Grantor is the surface owner of a tract of land in the NE $\frac{1}{4}$ of Section 20, Township 13 South, Range 7 East, Carbon County, Utah (hereinafter referred to as the "Lands"); and

WHEREAS, Anschutz desires to enter onto and cross such Lands for the purpose of drilling an exploratory oil and/or gas well at a surface location in the NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 20, Township 13 South, Range 7 East, Carbon County, Utah (hereinafter referred to as the "Drill Site).

WHEREAS, Grantor has no objection to the granting of this request on the condition that the quality of the surface and the use of the surface by the Grantor, its successors and assigns forever, except as hereinafter set forth, is saved and protected.

NOW THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Anschutz shall pay Grantor the sum of \$5,000 as full payment for anticipated and ordinary damages for the drillsite and for access for the drilling of the Oman #2-20 well in the location as above stated.
2. Anschutz, and its assigns or agents, shall have the right to locate and build approximately 1500 feet, more or less, of access road across the subject Lands and shall have the right to move derricks, drilling tools, vehicles and all other machinery and equipment reasonably necessary or incident to the drilling, testing, completion, and operation of an oil and/or gas well at the Drill Site. The access road shall be built on or near the same grade as the existing 2-track road which currently accesses the Lands. The access road shall be used only for ingress and egress to and from the "Drill Site" and shall be the only access road to this Drill Site. The access road shall begin at the Drill Site and then run across the lands directly north and east and to the intersection of Highway 96 (the paved Highway between Scofield and Clear Creek). In the event that Anschutz shall need an additional access road for any purpose whatsoever, Anschutz shall not build, maintain, or use such additional access road without the **WRITTEN CONSENT** of Grantor, which consent shall not be unreasonably withheld.
3. This Agreement and the rights granted herein are effective on the date of execution by Grantor and shall continue in full force and effect so long as drilling and/or production operations are conducted on the OMAN #2-20 well.
4. Cattle guards or gates shall be constructed, at all places where Anschutz goes through the existing fences and gates shall be kept closed at all times except when opened for passage of traffic. If reasonably necessary to control access to Grantor's land by unauthorized third parties during drilling operations, Anschutz shall, if so requested by Grantor, keep the gate entering Grantor's property locked and provide a key to Grantor, or take other reasonable

measures to prevent unauthorized access. After drilling and completion or plugging operations are completed, if so requested by Grantor, the gate shall be kept locked. The drillsite location shall be kept free from any accumulation of trash or debris, and all trash which is left on the drillsite location shall be appropriately disposed of by Anschutz by hauling it off the drillsite location to a dump.

5. Anschutz and any of its employees, primary contractors and sub-contractors shall absolutely be prohibited from having present on Grantor's lands any bows, arrows, or other similar weapons and from having in their possession or discharging any firearms or fireworks while on grantor's property. Anschutz' drillsite personnel will be responsible for enforcing this firearm ban. Anschutz and its employees, primary contractors and sub-contractors (i) shall not engage in any camping, hiking, hunting, fishing, or other recreational activities on Grantor's lands, (ii) shall not possess or use any alcohol or drugs on Grantor's lands, (iii) shall not bring or have any dogs, horses or other animals on Grantor's lands, and (iv) shall not park or use any motorcycles, snowmobiles, all-terrain vehicles or other recreational vehicles on Grantor's lands (other than upon the access road to the extent required for access to the drillsite).
6. If there is any fill used for roads constructed across any drainage, culverts shall be used for the free flow of water through said drainage.
7. If the access road departs from existing established roadways and new construction is required, topsoil shall be segregated, stockpiled, and replaced during reclamation activities. Anschutz agrees to stockpile the topsoil and to use the same in the restoration of the Drill Site and access road. It is understood that Anschutz will disassemble the livestock pens which are located on the Drill Site and stockpile the lumber off of the Drill Site. Following the drilling of the Oman #2-20 well and following reclamation of the Drill Site, Anschutz and Grantor shall agree on a mutually acceptable location to rebuild the livestock pens in a similar fashion and design as the pens were prior to disassembly.
8. It is understood that any road constructed across the said Lands shall not exceed Twenty (20) feet in width.
9. Upon completion of the well as a dry hole and the subsequent abandonment thereof, within 60 days following the completion of drilling operations, weather permitting, the well shall be plugged as provided by the rules and regulations of the Utah Division of Oil, Gas, and Mining and any newly constructed roads shall be restored to the condition it was in prior to commencement of operations insofar as reasonably possible. Upon completion of the well as a dry hole and the subsequent abandonment thereof, any roads, and the improvements thereto which are constructed by Anschutz, shall be left in a good and usable condition for the continued use by Grantor if so requested by Grantor.
10. Upon completion of the well as capable of producing oil and/or gas, this agreement shall continue in full force until the subject well is plugged and abandoned and operations cease thereon.
11. It is expressly understood that this settlement is only for construction of access road and Drill Site pad and it is not a settlement for any damages to contiguous property, personal property of the Grantor or a release of any personal injuries that may be sustained by reason of the operations carried on by the oil and gas lessee or his agents.
12. The Drill Site shall be located as set forth on the plat (not to scale) which is attached hereto. Such Drill site shall be 1167 feet (computed) from the north line and 1737 feet (computed)

from the east line of the above described land and real estate and shall not exceed three (3) acres in size.

13. In the event of actual production of oil, gas, distillate or other minerals, Anschutz shall have the exclusive right to place upon the designated Drill Site machinery and equipment, pumps, motors, and power supply necessary to produce oil, gas, distillate or other minerals from the well. The production site shall be within the designated Drill Site and shall not exceed one-half (½) acre in size. All appurtenances used in connection with the drilling of the well and not needed to support a production site shall be removed and the surface of the land and real estate restored to as near its original condition as possible within a reasonable time, weather permitting, after the drilling operation has been completed. Such restoration cost shall be the sole cost of Anschutz and without cost to Grantor. Anschutz will build and maintain a fence which surrounds the production site which is capable of turning all livestock, including but not limited to sheep.
14. Anschutz shall be solely responsible for property taxes on all improvements placed or constructed by Anschutz on Grantor's lands.
15. Anschutz shall promptly (subject to weather and seasonal constraints) restore all disturbed areas as nearly as reasonably possible to their original, natural contour and condition when no longer required for Anschutz' ongoing operations, and shall re-seed all restore areas with a seed mixture reasonably approved by Grantor (subject to state requirements and availability). Anschutz shall continue to monitor, maintain and be responsible for each re-seeded area until a mature stand is established.
16. The oil lease shall not unreasonably affect the surface tenants other than the surface may be temporarily inconvenienced in the event drilling occurs.
17. In the event that the energy source used at the production well site to operate the pump, power supply for the motor or engine used to operate the pump, is electricity or natural gas, the supply lines shall be buried not less than 3 feet below the surface of the ground and shall also be placed within the boundaries of the 20 foot width of the access road and shall be buried and maintained at least three feet (3') below the level of the ground. The installation of all underground facilities shall be completed in a reasonable manner so that these underground lines will in no way interfere with the overall use of the surface by the Grantor or its successors or assigns.
18. Anschutz shall prevent any noxious weeds from being brought onto or becoming established on Grantor's lands in connection with Anschutz' operations hereunder.
19. Anschutz shall be solely responsible for any and all injury to any person and/or to any property belonging to any person, all of which shall include the Grantor, which results from and is proximately caused by the installation and maintenance of the transfer pipe and/or the electric or natural gas lines in the access road.
20. Anschutz recognizes that the Grantor has the right to use the surface of its land and real estate for all lawful purposes, as well as other purposes, and that the land and real estate should not be cut up with roads and drill sites so that the efficient use of the land and real estate is not lost or destroyed. Therefore, Anschutz promises that every effort will be made to place drill and production sites, access roads and storage tank batteries in locations which will not destroy, or unreasonably prevent the use of the remaining portion of the surface of the land by the Grantor. Anschutz will provide an access route or will allow Grantor to pass through its Drill Site so as to access its property which is located beyond the Drill Site and which was accessible prior to Anschutz' drilling operations.

21. Anschutz promises and agrees that there will not be any outstanding contracts made by Anschutz for any improvements to the property which will not be fully paid for and Anschutz shall cause to be discharged all mechanics' or materialmen's liens arising from any labor or materials furnished to the property at the request of Anschutz or its assignees.
22. Anschutz promises and agrees that during the period of time that the above described well is being drilled and/or during the time that there is production from the property, Anschutz shall not be in violation of any federal, state, or local law, ordinance or regulation relating to industrial hygiene, toxic waste or to hazardous environmental conditions, including but not limited to soil or ground water conditions. Anschutz hereby agrees to indemnify and hold Grantor, and its successors, harmless from any and all claims, causes of action, demands, liabilities, liens, costs, expenses, penalties, or damages and losses, including without limitation reasonable attorney's fees, which may arise as a result of Anschutz' operations hereunder (other than claims arising from the negligent or intentional acts of Grantor) or arising from any violation of any environmental or other laws in the course of Anschutz' operations hereunder.
23. This agreement shall be governed by and construed in accordance with the laws of the State of Utah.
24. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when deposited in a United States Post Office, registered or certified mail, postage prepaid, return receipt required, and addresses as follows:

If to Anschutz:

*Anschutz Exploration Corporation
2400 Anaconda Tower
555 Seventeenth Street
Denver, CO 80202
Phone: (303)298-1000*

If to Grantor:

*Milton A. Oman, LTD.
c/o Bessie G. Oman
1714 Millcreek Way
Salt Lake City, UT 84106
Phone: (801)484-6965*

or such other address as either party may from time to time specify in writing to the other.

25. In the event Anschutz elects to drill a water well to provide water for Anschutz' operations hereunder, Anschutz agrees to obtain and provide its own water rights for such well. Anschutz agrees to make any excess capacity in the well above Anschutz' needs from time to time available to Grantor, provided that Grantor shall be responsible to provide its own water rights with respect to use of the well. When no longer required for Anschutz' operations hereunder, Anschutz agrees to assign and turn over any such well to grantor (but excluding Anschutz' water rights) or, if so requested by Grantor, to plug and abandon such well in accordance with state law. Anschutz agrees to notify Grantor in advance of any application to the Utah State Engineer for any well permit or any other application pertaining to the well and to cooperate with Grantor to permit Grantor concurrently to apply for appropriation, change or exchange applications to


STATE OF UTAH)

) ss.

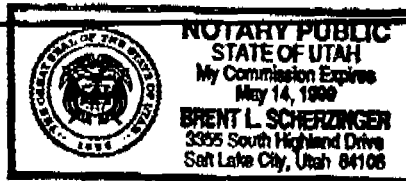
COUNTY OF SL)

On this 14th day of September 1995, personally appeared before me Bessie G. Oman, who, being by me duly sworn did say that she is the General Partner of Milton A. Oman, LTD., a General Partnership and that said instrument was signed on behalf of said Partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.


Notary Public

My commission expires:

May 14, 1999

permit Grantor to use any such excess capacity during drilling operations and to take over the well following completion of operations requiring water from the well.

Except as provided herein, this Surface Damage Agreement shall be deemed to be and is to be as complete settlement, satisfaction, and discharge of all obligations of said Anschutz, its agents, employees, and associates, to pay such anticipated and ordinary damages as provided herein. This Agreement and all of the terms and conditions hereof shall be binding on the parties hereto and on their respective successors and assigns. The obligations of the parties hereunder shall be covenants running with their respective interests in the subject lands, and, to the extent applicable (e. g., indemnities, reclamation obligations, etc.), shall survive the completion or other termination of Anschutz' operations on the subject lands.

Dated this 11th day of September, 1995.

ANSCHUTZ EXPLORATION CORPORATION

By: Todd Kalstrom
Todd Kalstrom, Division Land Manager

MILTON A. OMAN, LTD.

By: Bessie G. Oman
Bessie G. Oman, General Partner
SS # 303-14-4299

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

On this 11th day of September 1995, personally appeared before me Todd Kalstrom, who, being by me duly sworn did say that he/she is the Division Land Manager of Anschutz Exploration Corporation and that said instrument was signed on behalf of said Corporation by authority of its by-laws, and said Todd Kalstrom acknowledged to me that said Corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Tammy L. Sodja
Notary Public - Tammy L. Sodja

My commission expires: May 10, 1999

ANSCHUTZ EXPLORATION CORPORATION

OMAN #2-20

NW NE SEC 20 T13S R7E

CARBON COUNTY, UTAH

WELLSITE GEOLOGIST'S REPORT

CONFIDENTIAL

T. M. MCCOY & CO., INC.
CONSULTING GEOLOGISTS

SKYLINE RANCH • P.O. BOX 608 • WILSON, WYOMING 83014 • 307 733-4332

ANSCHUTZ EXPLORATION CORPORATION

OMAN #2-20

NW NE SEC 20 T13S R7E

CARBON COUNTY, UTAH

SUMMARY

WELL DATA

FORMATION TOPS

LITHOLOGY AND SHOWS

SERVICES

DAILY OPERATIONS

MUD RECORD

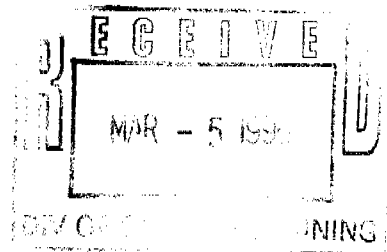
BIT RECORD

DEVIATIONS

COMPOSITE WELL SURVEY

DRILLING CURVE

DRILLING TIME LOG



SUMMARY

Casing was set at 4779' TD to test through pipe the remaining gas potential of the Upper Cretaceous Ferron Sandstone in the north part of Clear Creek field.

Evaluation included FID total gas and chromatography from a 2-man mud logging unit, samples, and computerized drilling time. There were no cores or DSTs. Schlumberger ran induction, neutron, density, sonic, and borehole imaging logs.

Prospect

Clear Creek gas field was initially developed in the 1950s; production continues from two wells. The gently west-dipping Ferron pay is sealed by Bluegate (middle Mancos) shale dropped down by the east-bounding normal fault. Numerous lesser faults mapped by surface geology and from air photos cut northeast across the 3 X 12 mile north-south trending structure.

The field remains prospective for gas trapped stratigraphically in the variable Ferron sands and coals and trapped structurally in segregated fault blocks.

Drainage is a risk in the prospect; old wells lie 1/2 mile north and 1 mile south of the Oman #2-20. Also, Ferron sands are susceptible to formation damage and natural fracturing may not be sufficient to offset low matrix permeability. Water flows and lost circulation are common uphole as is lost circulation in the Ferron where original reservoir pressure was 1265 psi.

Directional Drilling

The well was directionally drilled with mud from a canyon location to a target beneath the mountains to the west. The well spudded in a downdropped block and was steered SW across the east-bounding fault(s) to the field.

Drilling with a bent mud motor and MWD tools began at 1000' and the planned 37 deg inclination was reached by 2200'. The hole was then drilled with stabilization to the top of the Ferron and drilled without stabilization to TD. The bottom hole location is 1897' S55W of surface location, in target.

Blackhawk Formation, Starpoint Sandstone, and Emery Sandstone Undivided

The upper part of the Oman #2-20 was virtually all sandstone; the correlative upper Mancos Shale was reflected only by minor siltstone. Torque and angle changes during directional work suggested a fault was crossed 1350' - 1550'. A fault was not evident in samples.

SUMMARY

Slight shows of oil were found in 300 ft of the upper sandstones.

Water flow at 375' required cement and then intermediate casing set at 818'. Deeper water flows were controlled by circulating 9.0 lb/gal mud, 9.3 lb/gal static. Sands 1052' - 1062', 1104' - 1120', 1428' - 1466', and 1568' - 1580' correlate with drilling evidence of uphole water flow.

Bluegate Shale (Middle Mancos)

Interval 3760' - 3830' contained 5% to 2% calcite fracture fill--the most in the well--but yielded no oil show or substantial FID gas increase. Although samples contained some limy shale and impure limestone, neither is clean enough to be reconciled with the thin low-gamma kicks at 3760' and 3780' where PE = 5. Rather, these are believed to be large calcite-filled fractures.

The Oman #2-20 cuts a 450-ft normal fault in the upper Bluegate-Emery, between 1966' and 2400'. This is shown by correlation with Three States Natural Gas Utah Fuel #4, SW SEC 30 T13S R7E: 4245' at Utah Fuel #4 = 2400' at Oman #2-20. This fault was not evident in samples.

Ferron Sandstone

The Ferron is capped by black carbonaceous shale and coal. Coal 3900' - 3906' yielded 1440 units total gas, 100% C1. A second well developed coal 4062' - 4068' yielded 2400 units total gas, 100% C1. These may produce.

The top sandstone displayed dull fluorescence and fair fluorescent halos from 3910' - 3940'; best total gas of 320 units correlates to cleaner sand on logs. Gas composition of 98% C1, trace C2, 1% C3, and 1% C4 is drier than that in the overlying Bluegate Shale. Averaged neutron density porosity is 9% to 6%.

Sandstone 4070' - 4108' also underlies coal and displayed moderately bright fluorescence and fair fluorescent halos except at top which is tight on logs. Total gas varied from 200 to 60 units, C1 only. Samples and logs indicate cleaning, coarsening downward. Averaged neutron density porosity is 6% to 10%.

Connection gas peaks 4248' - 4344' came early and should be checked with the formation microimager log as possible shows from fractures.

Fast drill break 4351' - 4358' was followed by total lost circulation at 4359'. Mud losses varied from 525 B in 75 minutes to 275 - 50 B seepage per day. The zone is not a clean fractured sand and is not highlighted by logs available at the well site (formation microimager and sonic waveforms are being processed). High total gas for the well was 8400 units, 100% C1, following trip to mix mud.

SUMMARY

Basal sandstone 4498' - 4554' is closely associated with total gas increase from 30 to 235 units. Overlying carbonaceous shale likely accounts for initial increase. Samples did not fluoresce. Averaged neutron density porosity varies from 6% to 12%.

Structure

Based on a marker approximately 140 ft above the Ferron, the Oman #2-20 is 310 ft high compared to the north offset which produced 7 BCF--Three States Natural Gas Utah Fuel #7, SE SW SEC 17 T13S R7E--and 250 ft high compared to the south offset which produced 16 BCF--Three States Natural Gas Utah State #1, SW NW SEC 29 T13S R7E. The well was successfully drilled from a low block across faults to a new high where the prospect of untapped gas reserves is good.

Logs

Sonic porosity in the Ferron is excessively high--sometimes 30%--compared to the reasonable neutron-density values of 6% to 12%. The cause has not been determined. The cause is not hydrocarbon gas in the borehole, as evidenced by low trip gas of 240 units and 140 units during and after logs, respectively.

Sw calculations are not included in this report. It is anticipated that reliable values for computation of the Ferron will be developed by log analysts in conjunction with the completion results at the Oman #2-20.

T. M. McCoy

T. M. McCoy
Consulting Geologist

11 February 1996

5
Anschutz Exploration Corporation
Oman #2-20

WELL DATA

OPERATOR: Anschutz Exploration Corporation

WELL NAME: Oman #2-20

SURFACE LOCATION: 1167' fnl & 1737' fel
NW NE Sec 20 T13S R7E
Carbon County, Utah

BOTTOM HOLE LOCATION: 2244' fnl & 3299' fel
NE NW Sec 20 T13S R7E

API NUMBER: 43-007-30289

ELEVATIONS: 7961' GL 7965' Graded 7981' KB

FIELD: Clear Creek

ROAD DIRECTIONS: From Scofield, S 3.4 miles on Utah Highway 96; SW 150'
to location.

SURFACE CASING: 20" set at 308' KB

INTERMEDIATE CASING: 13 3/8" set at 818' KB

SPUD DATE: 15 January 1996, 3:00 AM (began drilling 8 3/4" hole
out from surface casing)

DRILLING COMPLETED: 8 February 1996, 9:30 PM

MAXIMUM TEMPERATURE: 125 deg F

TOTAL DEPTH: 4779' MD Driller 4182' TVD Driller 4771' MD Logger

LAST FORMATION
PENETRATED: Tununk Shale (Lower Mancos Shale)

WELL STATUS: 5 1/2" casing run for completion of the Ferron Ss.

OPERATOR
REPRESENTATIVE: Dave Dlouhy - Geology
Dan Gallagher - Drilling

Anschutz Exploration Corporation
Oman #2-20

FORMATION TOPS

	MD Log Top	TVD Log Top	7981 KB Datum
UPPER CRETACEOUS			
Blackhawk Fm/ Starpoint Ss/ Emery Ss Undivided	Surface		
Bluegate Sh (Middle Mancos)	2200	2105	+5876
Ferron Ss	3910	3467	+4514
Tununk Sh (Lower Mancos)	4635	4056	+3925
TD Logger	4771	4175	+3806
TD Driller	4779	4182	+3799

LITHOLOGY AND SHOWS

Because rig and log depths are virtually identical and because samples correlate well with logs, no adjustment has been made to original lagged sample depths. Mud loggers collected lagged 30-ft samples from 308' to 2230', 20-ft samples to 3600', and 10-ft samples to TD. Sample quality was very good.

Grain size was determined by use of the American Stratigraphic Company comparator. Colors of dry cuttings were determined from the Rock-Color Chart distributed by the Geological Society of America. 10% HCl was used in acid reaction tests.

Cut tests for hydrocarbons were performed with trichloroethylene. Significant shows are marked in the left margin; lesser indications of hydrocarbons are contained in sample descriptions. Samples were examined for fluorescence with a Corvascope and a conventional UV box.

BLACKHAWK FM. / STARPOINT SS. / EMERY SS. UNDIVIDED

Surface Csg: 20" set at 308' KB

308' - 390' 90% - 60% Cement; moderately soft to firm. 10% - 40% Sandstone; grayish orange, some light gray; very fine to medium grained; subangular, subrounded; well sorted; loose grains to firm clusters; non- to moderately calcareous; much appears iron stained; no to some fair porosity visible. 1% to trace Coal. No sample show. Total gas 5 - 12 units.

390' - 420' Sandstone; very pale orange to clear, less iron stained; fine to medium grained; subangular to rounded; well sorted; much is loose, some calcareous clusters; trace pink-orange stained quartz. No sample show. Total gas 12 - 30 units. Connection gas to 320 units.

Note: 2-3 inch clear water flow at 400'.

420' - 450' Sandstone; grayish orange, increased iron staining; very fine to medium grained; subangular, subrounded; moderately to well sorted; firm; calcareous; no to fair porosity visible. 30% Cement. No sample show. Total gas 30 - 40 units.

450' - 540' Sandstone; grayish orange to very pale orange, very light gray; very fine to medium grained; subangular, subrounded, little rounded; well sorted; firm very fine grained clusters and loose fine to medium sand; calcareous; few pink-orange grains; no porosity visible in clusters, loose grains may

LITHOLOGY AND SHOWS

represent porous sandstone. Trace Coal. No sample show.
Total gas 30 - 130 units.

540' - 690' Sandstone; very light gray; very fine to lower fine grained; well sorted; firm, some moderately hard; calcareous; some slightly carbonaceous; no porosity visible. Trace to 5% Coal. 20% to 30% Sandstone; grayish orange to very pale orange; iron stained. No sample show. Total gas 100 - 250 units.

690' - 900' Sandstone; very light to light gray; very fine to fine grained, minor medium grains; subangular, subrounded; well to some moderately sorted; firm, some loose sand particularly uphole; calcareous; part slightly carbonaceous; some slightly peppered; trace pink-orange grains; trace pyrite; mostly no to some fair porosity visible. Trace to 20% Coal; increases below 780'. Minor streaks of Siltstone; light to medium light gray.

Slight Show: Sandstone: Trace brown oil stain. 40% to 20% of clusters and loose sand displays moderately bright goldish yellow, spotty to solid fluorescence. Moderately fast slightly streaming cut fluorescence dries to rather weak fluorescent yellow halos. Under white light, no cut or oil ring. Show is best at top of interval.

FID Gas: 180 - 40 units, C1 only; slightly higher total gas at top of show. Connection gas to 960 units.

Note: Rig depth, samples, and mud log data are 30 ft too deep below 724'. (Connection at 724' was recorded as 756'.) Depth was corrected before trip out to begin directional work at 1000'. Drill time in this report is correct.

900' - 990' 60% to 30% Coal. 40% to 70% Sandstone; very light to light gray; very fine to fine grained clusters, some loose fine to medium sand; subangular, subrounded; firm; calcareous; some slightly carbonaceous; some silty streaks; trace pink-orange grains; trace pyrite; mostly no porosity visible.

Slight show: Virtually no stain. Average 20% moderately bright spotty to solid goldish yellow fluorescence yields rather weak cut fluorescence as above.

LITHOLOGY AND SHOWS

FID Gas: Shaker bypassed part of time. Total gas 70 - 200 units.
Connection gas to 920 units.

990' - 1000' Sandstone; very light gray; fine to medium grained;
subangular, subrounded; well sorted; much loose sand, some
firm clusters; calcareous; trace pyrite; some slightly
carbonaceous; no to slight porosity visible in clusters,
drilling at 0.5 min/ft and loose grains suggest better
porosity. 20% Coal.

Slight Show: Rare possible dark brown oil stain. 20% of sandstone
displays moderately bright mostly spotty goldish yellow
fluorescence. No cut attempted--cuttings very small.

FID Gas: Shaker bypassed part of time. Total gas 110 units.

Note: On trip out at 1000' to begin directional work, depth of
water flow was determined to be close to 373'. Estimated
flow is 200+ BWPH (filled 5 gal bucket in 2 seconds).

Intermed. Csg: Cemented water flow. Flow was reduced but not completely
shut off. Opened hole to 17 1/2". Set 13 3/8" casing at
818' KB. Began directional work with bent mud motor.

1000' - 1079' No samples or FID gas. Shaker down; replaced bearings.

1079' - 1090' 30% Coal. 70% Sandstone; very light gray, much tinted
pale yellowish brown; very fine to fine grained, few medium
grains; subangular, subrounded; well sorted; firm, slightly
friable; calcareous; slightly peppered; some brown to black
intergranular stain where chips overall are pale yellowish
brown; some white to gray clay fill; no to some fair
porosity visible. Trace Siltstone; medium light gray.
Trace Shale; brownish gray, dark brownish gray;
carbonaceous. Few chips with yellow oil fluorescence,
mostly no fluorescence. Slow weak nonstreaming cut
fluorescence from pale yellowish brown chips that are
thoroughly dried. Total gas 60 - 100 units.

1090' - 1120' 10% Coal. 90% Sandstone; very light gray, minor part
stained pale yellowish brown; very fine to medium grained;
subangular to some rounded; well sorted; loose grains and
friable to firm clusters; slightly to moderately calcareous;

LITHOLOGY AND SHOWS

- peppered; trace pink-orange stained grains; some clay fill. Trace Siltstone; medium light to medium gray. Trace Shale; medium gray, brownish to dark brownish gray where carbonaceous; soft, small chips. Virtually no show. Total gas 60 - 20 units.
- 1120' - 1150' Sandstone; very light to medium light gray; increase in very fine grained, some fine to minor medium grained; subangular, subrounded; well sorted; firm to friable; slightly to moderately calcareous; peppered; increased clay fill; slightly carbonaceous; mostly no porosity visible. 20% Siltstone; medium light to medium gray; very fine grained sandy, much is argillaceous. 5% Coal. No show. Total gas 20 - 38 units.
- 1150' - 1210' 50% - 60% Sandstone; very light to medium gray; very fine and fine grained, minor medium grained; subangular, subrounded; well sorted; firm; calcareous; slightly peppered; part silty, argillaceous; some carbonaceous; mostly no porosity visible. 30% - 10% Sandstone; pale yellowish brown; fine grained; well sorted; firm; calcareous; slightly peppered; trace pink stained grains; some white clay fill; no to fair porosity visible. 20% - 30% Siltstone; medium light to medium gray; some very fine grained sandy; much is argillaceous; minor pyritic streaks. Trace - 2% Coal. No fluorescence; slow weak nonstreaming cut fluorescence from pale yellowish brown sandstone. Total gas 8 - 30 units.
- 1210' - 1300' 80% - 70% Sandstone; some very light, mostly light to medium light gray; very fine to some fine grained, minor medium grains loose and in clusters; mostly well sorted; firm; calcareous; peppered; carbonaceous; much is silty, argillaceous; trace pyrite; no porosity visible. 20% - 30% Siltstone; medium light to medium gray; commonly argillaceous, some carbonaceous. Trace Coal. No sample show. Total gas 30 - 75 units; C1 only.
- 1300' - 1360' 80% - 75% Sandstone; light to medium light gray; very fine, some fine grained, minor medium to lower coarse grains loose and in clusters; mostly well sorted; firm; calcareous; peppered; carbonaceous; much is silty, partly argillaceous; trace pyrite; no porosity to minor fair porosity visible. Trace to 5% Sandstone; pale yellowish brown; fine grained; subangular, subrounded; well sorted; firm; calcareous; peppered; some white clay fill; no to some fair porosity visible. 20% - 25% Siltstone; light to medium light gray, some tinted light brownish gray; very fine grained sandy,

LITHOLOGY AND SHOWS

much is argillaceous; firm; calcareous; finely carbonaceous. Trace Coal. No fluorescence; faint cut fluorescence from pale yellowish brown sandstone. Total gas 35 - 60 units.

1360' - 1450'

85% - 90% Sandstone; light to medium light gray; very fine to fine grained and increased medium to lower coarse grained clusters and loose sand; subangular to some rounded where coarse; well to moderately sorted; firm to friable; calcareous; peppered; carbonaceous; minor silty and argillaceous streaks; trace pyrite; no porosity to some fair porosity visible, fast drilling at 0.4 min/ft 1426' - 1465'. 5% Sandstone; pale yellowish brown; fine grained; subangular, subrounded; well sorted; firm; calcareous; peppered; some white clay fill; no to some fair porosity visible. 5% - 10% Coal. No fluorescence. Pale yellowish brown sandstone yields slow weak nonstreaming yellow cut fluorescence that dries to virtually no fluorescent halo. Total gas 30 - 80 units. Down time gas 700 units, C1 only.

1450' - 1480'

90% Sandstone; light to medium light gray; very fine to fine grained, only minor medium grains; subangular, subrounded; well sorted; slightly friable to firm; slightly to moderately calcareous; peppered; slightly carbonaceous; no to some fair porosity visible. 5% Sandstone; pale yellowish brown; fine grained; subangular, subrounded; well sorted; peppered; some white clay fill; fair porosity visible in part. 5% Coal. Mostly no show. No fluorescence. Pale yellowish brown sandstone displays some dark intergranular stain and slow weak nonstreaming yellow cut fluorescence. Total gas 40 - 60 units; C1 only.

1480' - 1630'

95% - 98% Sandstone; light gray; upper very fine to lower fine grained; subangular, subrounded; well sorted; moderately friable to firm; slightly to moderately calcareous; minor silty, argillaceous streaks; minor white clay fill; peppered; slightly carbonaceous; rare pink-orange stained grains; trace pyrite; mostly no to slight porosity visible, little fair porosity. 5% to 2% Coal. Virtually no sample show. Total gas 30 - 110 units; C1 only.

Remark:

Minor part of sandstone appears smeared to white and gray streaked curved clayey chips.

1630' - 1690'

98% Sandstone; light gray; upper very fine to lower fine grained; subangular, subrounded; well sorted; moderately friable; slightly to moderately calcareous; peppered; slightly carbonaceous; trace pyrite; mostly no to some fair porosity visible, faster drilling averages 1 min/ft.

LITHOLOGY AND SHOWS

- 2% Coal. Trace Shale; dark brownish gray, dusky yellowish brown; appears organic rich; carbonaceous. No sample show. Total gas 40 - 80 units.
- 1690' - 1750' Sandstone; light gray; upper very fine to lower fine grained; subangular, subrounded; well sorted; moderately friable; slightly to moderately calcareous; peppered; slightly carbonaceous; trace pyrite; no to slight porosity visible. Trace Coal. Few chips Calcite; probable fracture fill. No sample show. Total gas 60 - 150 units.
- 1750' - 1780' 90% Sandstone; light gray; mostly upper very fine to lower fine grained; minor loose upper fine to medium grains; subangular, subrounded; well sorted; moderately friable; slightly to moderately calcareous; peppered; slightly carbonaceous; trace pyrite; very rare glauconite; no to slight porosity visible. 10% Coal. No sample show. Total gas 50 - 60 units.
- 1780' - 1900' 80% - 70% Sandstone; light to some medium light gray, minor pale yellowish brown; very fine to fine grained; some medium to lower coarse grains, loose and in clusters; subangular, subrounded; well to some moderately sorted; moderately friable, some firm; slightly to moderately calcareous; peppered; trace pyrite; trace pink-orange stained grains; no to some fair porosity visible. 20% - 30% Coal. Trace Shale; dusky yellowish brown, brownish black; appears organic rich; associated with coal.
- Mostly no sample show. No fluorescence. Possible dark stain in pale yellowish brown sandstone which yields very slow faint nonstreaming cut fluorescence. Dusky yellowish brown to brownish black shale yields moderately fast slightly streaming cut fluorescence.
- Total gas 50 - 550 units, maximum at 1876'; C1 only. Short trip gas following pump repair, 2800 units, C1 only.
- 1900' - 1960' 60% - 40% Coal. 40% - 60% Sandstone; very light to light gray; mostly very fine and fine grained; minor medium and coarse sand, loose and in clusters; subangular to some rounded; mostly well sorted; moderately friable, small sand-size clusters; slightly calcareous; peppered, some light to medium gray lithics; trace pink-orange stained grains; occasional coal or carbonaceous inclusions; no to some slight porosity visible, fast drilling may reflect better porosity. Trace Shale; brownish black to dusky yellowish brown; appears organic rich. Virtually no sample show.

LITHOLOGY AND SHOWS

Total gas 100 - 600 units.

1960' - 2050' 85% - 90% Sandstone; light gray; very fine to coarse grained; more medium and coarse grains than above, loose and in clusters; subangular to some rounded; well to moderately sorted; moderately friable, some firm; slightly to moderately calcareous; peppered; light to medium gray lithics more common, some appear to be chert; some feldspar evident among coarse grains; trace pink-orange stained grains; trace pyrite; very rare possible glauconite; no to minor fair porosity visible. Trace to 5% Siltstone; medium to medium dark gray, brownish gray; argillaceous; little is organic rich. 10% - 5% Coal. No sample show. Total gas 350 - 55 units.

2050' - 2110' Sandstone; light to medium light gray; very fine to fine grained, decrease to minor medium to lower coarse grains; subangular, subrounded; well sorted; firm to moderately friable; slightly to moderately calcareous; some is silty and argillaceous; peppered; minor pyrite; rare pink-orange stained grains; no to slight porosity visible. Grades to and interbedded with 10% - 20% Siltstone; medium gray, tinted light brownish gray; very fine grained sandy, argillaceous; subblocky. 10% - 5% Coal. Few probable Inoceramus columnals; pale yellowish brown. No show. Total gas 30 - 70 units.

Note: Tripped at 2134' for new bit, Hughes GT18.

2110' - 2170' Sandstone; light to medium light gray; very fine to lesser fine grained, only minor medium to coarse grains; subangular, subrounded; well sorted; firm; calcareous; peppered; some carbonaceous; part silty and argillaceous; trace thoroughly cemented with pyrite; no to some slight porosity visible. Grades to and interbedded with 10% Siltstone; medium light to medium gray, tinted brownish gray in part; commonly very fine grained sandy and argillaceous; firm, moderately soft; calcareous; some carbonaceous; few possible grains of glauconite; subblocky. 10% - 20% Coal; may be caving. Trace Shale; brownish black, dusky yellowish brown; appears organic rich. No sample show. Total gas 55 - 70 units; C1 only.

Remark: Tripped at 2173' to repair MWD tool.

2170' - 2200' Sandstone; light to increasingly medium light gray; very fine to lower fine grained; subangular, subrounded; well sorted; firm; slightly to moderately calcareous; peppered;

LITHOLOGY AND SHOWS

some carbonaceous; increasingly silty and argillaceous; rare pink-orange stained grains; mostly no porosity visible. Grades to and interbedded with 20% Siltstone; medium light to medium gray, some tinted brownish gray; very fine grained sandy and argillaceous; firm, moderately soft; calcareous; some carbonaceous; subblocky. 20% Coal; may be caving. Several Inoceramus columnals; pale yellowish brown. No sample show. Total gas 55 - 200 units, C1 only.

BLUEGATE SH.
MIDDLE MANCOS

MD TOP: 2200' TVD TOP: 2105' DATUM: +5876'

Remark: Conspicuous log change much higher at 1966' is not all supported by samples which are here favored in making pick.

2200' - 2320' Interbedded, gradational. 60% - 30% Siltstone; medium to medium dark gray; argillaceous and commonly very fine grained sandy--grades to minor silty very fine grained sandy shale; firm; calcareous; slightly carbonaceous; rare pyrite; subblocky. 35% - 60% Sandstone; medium light to medium gray, minor light gray; very fine to lower fine grained; well sorted; firm; calcareous; slightly peppered; some carbonaceous; no porosity visible. 5% - 10% Coal; may be caving. Several Inoceramus columnals; pale yellowish brown; loose and imbedded in argillaceous siltstone. No show. Total gas 70 - 100 units.

Note: Tripped at 2323' to lay down mud motor and pick up near bit stabilizer, short drill collar, and IBS.

2320' - 2340' Interbedded, gradational. 60% Siltstone; mostly medium gray; argillaceous, very fine grained sandy--grades to minor silty sandy shale; firm; calcareous; rare pyrite; subblocky. 40% Sandstone; light to medium gray; very fine to lower fine grained; well sorted; firm; calcareous; slightly peppered; mostly no porosity visible. Trace Coal; may be caving. Several Inoceramus columnals; pale yellowish brown; some quite long. No show. Total gas 50 - 55 units.

2340' - 2400' Interbedded, gradational. 70% - 90% Siltstone; medium to some medium dark gray; argillaceous, part very fine grained sandy; firm; calcareous; some slightly carbonaceous; trace pyrite; subblocky; grades to subordinate shale; medium dark gray; silty; firm to moderately soft; slightly to

LITHOLOGY AND SHOWS

- moderately calcareous; platy, subblocky. 30% - 10% Sandstone; minor light gray, mostly medium light to medium gray; very fine grained; well sorted; firm; calcareous; much is silty and argillaceous; no porosity visible. Trace Coal. 3 - 5 Inoceramus columnals per sample; pale yellowish brown; some quite long. No show. Total gas 55 - 160 units.
- 2400' - 2420' 40% Sandstone. 50% Siltstone. 10% Coal. No show. Total gas 110 units.
- 2420' - 2500' Interbedded, gradational. 80% - 90% Siltstone; medium to some medium dark gray; argillaceous, some very fine grained sandy; firm; calcareous; some slightly carbonaceous; subblocky; grades to lesser shale; medium to medium dark gray; silty; firm; slightly to moderately calcareous; platy, subblocky. Trace Bentonite at 2460'; pinkish gray (buff); minute brown flecks. 10% - 20% Sandstone; some light gray to medium light gray; very fine grained; well sorted; firm; calcareous; slightly peppered; no porosity visible. Trace to 5% Coal; may be caving. Several Inoceramus columnals per sample; pale yellowish brown. No sample show. Total gas 110 - 420 units.
- 2500' - 2560' 70% - 90% Siltstone; medium to some medium dark gray; argillaceous, some very fine grained sandy; firm; calcareous; some slightly carbonaceous; subblocky and Shale; medium to medium dark gray; silty; firm; slightly to moderately calcareous; platy, subblocky. 30% - 10% Sandstone; light to medium light gray; very fine grained; well sorted; firm; calcareous; slightly peppered; no porosity visible. Several Inoceramus columnals per sample; pale yellowish brown. No sample show. Total gas 500 - 150 units; C1 only.
- 2560' - 2700' Gradational thin beds or laminae. Siltstone; mostly medium gray; argillaceous, some very fine grained sandy; firm; calcareous; part slightly carbonaceous; subblocky. Lesser Shale; medium to medium dark gray; silty; firm; slightly to moderately calcareous; subblocky, some platy. Several Inoceramus columnals per sample; pale yellowish brown. No sample show. Total gas 100 - 400 units.
- Note: C1 - C3 at 2580'; C1 - C4 at 2630'.

LITHOLOGY AND SHOWS

- 2700' - 2800' Siltstone; medium gray, tinted brownish gray; argillaceous, some very fine grained sandy streaks; firm, some moderately soft; calcareous; part slightly carbonaceous; subblocky. Lesser Shale; medium dark gray; silty; firm; slightly to moderately calcareous; subblocky, some platy. No sample show. Total gas average 200 units.
- Remark: Tripped at 2819' to pick up additional drill collars.
- 2800' - 2940' Siltstone; medium gray, tinted brownish gray; argillaceous; minor dispersed very fine grained sand, rare laminae; firm, some moderately soft; calcareous; part slightly carbonaceous; subblocky. Also Shale; medium dark gray; silty; firm; slightly to moderately calcareous; subblocky, some platy. Several Inoceramus columnals per sample; pale yellowish brown; some quite long. No sample show. Total gas average 130 units.
- Remark: Tripped at 2950' for survey tool not going to bottom.
- 2940' - 3220' Uphole, few chips Bentonite; very light to light gray, brown flecked. Siltstone; medium gray, tinted brownish gray; argillaceous; some very fine grained sandy; firm, some moderately soft; calcareous; subblocky. Shale; medium dark gray; silty; firm; slightly to moderately calcareous; subblocky, some platy.
- Downhole, 10% - 30% Sandstone; medium gray, light brownish gray; very fine grained; silty, argillaceous, very dirty; firm, some moderately soft; calcareous; rare glauconite; no porosity visible. Mostly Siltstone; medium gray, tinted brownish gray; argillaceous, very fine grained sandy; firm to moderately soft; calcareous; subblocky. Grades to lesser Shale; medium dark gray; silty; firm; slightly to moderately calcareous; subblocky, some platy.
- No sample show. Total gas 65 - 150 units.
- 3220' - 3380' Siltstone; medium gray, tinted brownish gray; argillaceous, some very fine grained sandy; firm, some moderately soft; slightly to moderately calcareous; subblocky. Also Shale; medium dark gray becoming partly dark gray downhole; silty; firm; slightly calcareous; subblocky, some platy. Few Inoceramus columnals per sample. No sample show. Total gas 80 - 150 units.

LITHOLOGY AND SHOWS

- 3380' - 3440' Shale; medium dark to some dark gray; silty; firm; slightly to moderately calcareous; subblocky, platy. Grades to lesser Siltstone; medium to medium dark gray, commonly tinted brownish gray; argillaceous; firm, moderately soft; calcareous; some slightly carbonaceous; subblocky, rounded. No show. Total gas 120 - 200 units.
- 3440' - 3650' Uphole, 10% - 20% Sandstone; brownish gray; very fine grained; silty, argillaceous--very dirty; firm; moderately calcareous; some slightly carbonaceous; few chips with rare glauconite; no porosity visible. Grades to Siltstone; medium dark gray, tinted brownish gray; argillaceous, part very fine grained sandy; firm, moderately soft; calcareous; some slightly carbonaceous; subblocky, rounded. Also Shale; medium dark to some dark gray; silty; firm; slightly calcareous; subblocky, platy. Few Inoceramus columnals in most samples. Virtually no sample show. No fluorescence. Slow weak nonstreaming cut fluorescence dries to faint fluorescent halo; no cut or oil ring visible under white light. Total gas 120 - 320 units, average 200 units.
- 3650' - 3730' Uphole, 5% - 10% Sandstone; brownish gray; very fine grained; silty, argillaceous--very dirty; firm; calcareous; very rare glauconite; no porosity visible. Siltstone; medium dark gray, tinted brownish gray; argillaceous, part very fine grained sandy; firm, moderately soft; calcareous; some micropyrinite; subblocky, rounded. Downhole, mostly Shale; medium dark to dark gray; silty; firm; slightly calcareous; subblocky, platy. Few Inoceramus columnals in most samples. No show. Total gas 200 - 300 units.
- Remark: 20 stand wiper trip at 3724'. Short trip gas 590 units.
- 3730' - 3760' 10% - 40% Sandstone; medium light to much medium dark gray, tinted brownish gray; very fine to some fine grained, significant low percentage of medium to lower coarse grains; subangular to rarely rounded; well to some poorly sorted; firm, little is moderately hard; calcite, silica, and clay cement; some glassy broken quartz grains; silty, argillaceous--most is very dirty; slightly peppered; trace glauconite; trace pyrite; no porosity visible.
- Mostly Siltstone; medium dark gray, brownish gray; very fine to fine grained sandy; argillaceous; calcareous; subblocky. Lesser Shale; medium dark to some dark gray; silty, some sandy; firm; calcareous; subblocky, platy. No show. Total gas 250 - 190 units.

LITHOLOGY AND SHOWS

3760' - 3830' 5% to 2% Calcite; white, clear, and partly translucent pale yellowish brown; probable fracture fill; mostly loose, rarely attached to siltstone, shale, or limestone; some chips glazed, possible slickensides. No show.

10% - 30% Shale; brownish gray; very calcareous; silty; firm to moderately hard; platy to subblocky. Grades to 2% - 10% Limestone; light brownish to brownish gray, rare yellowish brown; silty and argillaceous; no porosity visible. No show.

80% - 40% Siltstone; medium dark gray, tinted brownish gray; argillaceous; calcareous; subblocky and Shale; medium dark gray, brownish gray; calcareous; subblocky, some platy. No show. Total gas 150 - 280 units.

3830' - 3895' Trace Bentonite; very light gray; conspicuous brown small sand-size flecks; mainly 3830' - 3840' and 3850' - 3860'.

Interbedded and gradational. Siltstone; medium to medium dark gray, tinted brownish gray; argillaceous, some very fine grained sandy; firm, some moderately soft; slightly calcareous; subblocky, rounded. Lesser Shale; medium dark to some dark gray; silty; firm; slightly calcareous; subblocky, some platy. No show. Total gas 120 - 190 units.

3895' - 3910' 20% - 70% Coal; black and Shale; brownish black to dusky yellowish brown; carbonaceous; fast break 3901' - 3906', 0.8 min/ft at best. No fluorescence; no cut attempted.

FID Gas:	Total	C1	C2	C3	iC4	nC4	Min/Ft	Mud Log
Before	170	93%	1%	4%	Tr	2%	2.5	3888'
During	740	100%	--	--	--	--	1.6	3894'
Maximum	1440	100%	--	--	--	--	0.8	3903'
After	220	98%	Tr	1%	Tr	1%	2.5	3918'

FERRON SS. MD TOP: 3910' TVD TOP: 3467' DATUM: +4514'

3910' - 3942' 80% - 60% Sandstone; pinkish gray (buff), 5 YR 8/1; mostly upper very fine grained; subrounded; well sorted; firm to moderately hard; some glassy broken quartz grains; silica

LITHOLOGY AND SHOWS

and minor calcite cement; quite clean; few gray lithics; rare glauconite; no to some slight porosity visible, rare isolated sand-size pores.

20% - 30% Siltstone and Shale; medium dark gray, tinted brownish gray; argillaceous, silty, some very fine grained sandy; firm; non- to slightly calcareous; subblocky, platy.

Trace increasing to 10% Coal; black and Shale; brownish black, dusky yellowish brown; carbonaceous.

In top 20 ft, 2% Claystone; white, gray streaks; smeared; partly calcareous. At base, few chips Calcite; white.

Show: No definite stain. 70% of sandstone displays uniform dull goldish yellow fluorescence. Immediate but faint cut fluorescence is followed by moderately slow slightly streaming yellowish blue cut fluorescence that dries to fair yellow fluorescent halos. Under white light, no cut but faint discontinuous light yellow oil ring formed by microdroplets visible at 10X.

Brownish intergranular clayey-appearing material is highlighted by trichloroethylene but not by dilute HCl.

FID Gas:	Total	C1	C2	C3	iC4	nC4	Min/Ft	Mud Log
Before	220	98%	Tr	1%	Tr	1%	2.5	3918'
Maximum	320	98%	Tr	1%	Tr	1%	2.0	3924'
After	220	98%	Tr	1%	Tr	1%	2.5	3940'

Remark: Circulated samples at 3942'. Very good quality.

Note: Tripped at 3942' to lay down stabilization. Pick up new jars and run new Smith F15 bit.

3942' - 4061' Interbedded. Average 20% Sandstone; very light to light gray, pinkish gray (buff), minor medium gray; very fine to lesser fine grained; subangular, subrounded; mostly firm; slightly calcareous; quite clean to some very silty and argillaceous; slightly peppered; mostly no porosity visible. 40% Siltstone; some light brownish gray to much medium dark gray; much is argillaceous, some very fine grained sandy; part slightly carbonaceous; subblocky, rounded. 30% - 40% Shale; medium dark to dark gray, some tinted brownish gray; moderately smooth to silty, sandy; firm; non-

LITHOLOGY AND SHOWS

to slightly calcareous; platy, subblocky. Trace Shale; medium light gray; smooth; firm; noncalcareous; appears bentonitic; platy. 10% - 2% Coal; black.

Sandstone: Rare possible dark brown to black stain. Virtually no fluorescence. Moderately slow nonstreaming weak cut fluorescence dries to extremely faint to weak fluorescent halos. Under white light, no cut or oil ring. Total gas varied 35 - 220 units.

4061' - 4068' Coal; black; brittle; fast drilling break to 1.0 min/ft. Minor Shale; brownish black, dusky yellowish brown; coaly.

Show: No fluorescence. Coal: moderately fast slightly streaming blue cut fluorescence dries to virtually nonfluorescent halo. Under white light no cut or ring. Shale: fast streaming blue cut fluorescence dries to dull goldish brown fluorescent halo. Under white light, fair brown cut and good yellowish brown ring visible to unaided eye.

FID Gas: 2400 units; C1 only.

4068' - 4080' 20% Claystone/Sandstone; white, gray streaked; non- to slightly calcareous; smeared, commonly curved chips are likely artifact of drilling; may be pulverized sandy kaolinite and white clayey sandstone. 20% Sandstone; white to light gray; very fine grained; well sorted; firm; non- to slightly calcareous; no porosity visible. 10% Coal. 50% Shale and Siltstone; medium to dark gray, minor brownish gray and grayish black where coaly. Virtually no show from sandstone; no cut attempted from coal or dark shale. Total gas 200 - 100 units.

4080' - 4130' 70% - 90% Sandstone; pinkish gray (buff) to light brownish gray, minor very light gray; very fine to lesser fine grained, rare medium grains; subangular, subrounded; well to moderately well sorted; firm, some moderately hard; slightly to some moderately calcareous, also silica cement; glassy broken quartz grains in part; some slightly peppered; very rare glauconite; rare pink orange grains; no to minor slight porosity visible. 10% - Trace Coal. 20% - 10% Shale; medium to dark gray and Siltstone; medium dark gray;

LITHOLOGY AND SHOWS

argillaceous.

Show: No definite oil stain but fluorescence is associated with brown tinted chips and not with very light gray sandstone. 30% - 60% - 90% - 90% - 30% of sandstone displays moderately bright solid goldish yellow fluorescence. Moderately fast, non- to slightly streaming cut fluorescence dries to fair somewhat dull yellow fluorescent halos. Under white light, no cut and virtually no oil ring.

FID Gas: 200 - 60 units, C1 only.

4130' - 4150' 10% Claystone; white, gray streaked; smeared, commonly curved chips are likely artifact of drilling. 70% - 50% Sandstone; white to light gray and pinkish gray (buff) to light brownish gray; very fine grained, minor fine grained; firm, some quite hard and quartzitic; slightly to moderately calcareous; part slightly peppered; no to rare slight porosity visible. 20% - 30% Shale; medium to dark gray; silty; minor smooth and possibly bentonitic medium light gray; and Siltstone; medium light gray, light brownish to brownish gray; partly argillaceous. Trace to 10% Coal.

No definite stain. 10% to trace rather dull goldish yellow fluorescence yields slight cut fluorescence. Total gas 90 - 320 units; trace C2 - C4.

4150' - 4190' 70% Sandstone; very light to light gray, pinkish gray (buff), and some faintly tinted greenish gray; very fine grained, minor fine grained; well sorted; firm, some moderately hard; calcareous; some silica cement; some very clayey--associated with bentonitic shales; some appears smeared to white claystone; mostly no porosity visible. 30% Shale/Claystone; medium light to medium gray, some tinted greenish gray particularly downhole, trace brownish gray; smooth and waxy, some sandy; trace contains biotite flecks similar to those found in bentonite; platy. Trace Siltstone; light brownish gray; argillaceous; carbonaceous; subblocky, rounded. At base, few chips Calcite. The cause of several thin fast drill breaks is not evident in samples.

Trace Show: At base, 2% sandstone and few chips of calcite: No stain. Bright mostly solid yellow fluorescence. Fast slight to

LITHOLOGY AND SHOWS

moderate streaming cut fluorescence dries to weak fluorescent halos. Under white light, no cut or oil ring.

FID Gas: 80 - 45 units, C1 only. At 4180', momentary drop in total gas suggested partial returns causing mud level drop at shaker. Derrickman noted no change in pit level.

Remark: 20 stand wiper trip at 4203'. Samples 4190' - 4203' lagged after short trip. Short trip gas 290 units, C1 only.

4190' - 4210' 60% Sandstone; very light to light gray, part tinted greenish gray; very fine grained; well sorted; firm, some moderately hard; slightly to moderately calcareous; much is very clayey; mostly no porosity visible. 40% Shale; medium light gray, part tinted greenish gray, some medium dark gray, few chips mottled light and dark; much is bentonitic where light colored--smooth and waxy to very fine grained sandy; firm; non- to some calcareous; platy, subblocky. Few chips Calcite.

Slight Show: 2% of sandstone and few chips calcite: No stain. Bright spotty to solid yellow fluorescence yields moderately fast slightly streaming cut fluorescence that dries to rather weak fluorescent yellow halo. Under white light, no cut or oil ring. Trace chips exhibit linear fluorescence along faces of chips and along microfractures. Total gas 45 - 90 units; C1 only.

4210' - 4344' 80% - 90% Sandstone; minor very light to much light gray, part tinted light brownish gray and light greenish gray; very fine grained; well sorted; firm, some moderately hard; part silty, commonly clayey; non- to slightly calcareous; non- to slightly peppered; no porosity visible. 20% - 10% Shale; medium light to medium gray, part tinted greenish gray and light brownish gray; minor medium dark to dark gray is likely caving; much is bentonitic--some smooth and waxy to very fine grained sandy; firm; noncalcareous, does not flake apart in dilute HCl; platy to irregular blocky. Few chips Calcite.

Trace Show: 2% - 5% decreasing to trace sandstone displays no stain, spotty to some solid bright yellow fluorescence, moderately fast slightly streaming cut fluorescence, and rather weak fluorescent halos. Under white light, no cut or oil ring.

LITHOLOGY AND SHOWS

FID Gas: Gradually increasing background from 35 to 250 units; C1 only. Connection gas and survey gas increased from 140 units C1 only (40 min bottoms up) to 575 units C1 only (30 min bottoms up).

NOTE: LOST CIRCULATION AT 4359', THEN STRONG UPHOLE WATER FLOW ESTIMATED AT 500+ BWPH.

4344' - 4359' No sample. Fast drilling break 4351' - 4358' averaged 1 min/ft, 0.6 min/ft at best. Connection gas had reached 430 units when returns were lost.

Tripped to casing; mixed LCM. While reaming back to bottom, maximum FID gas was 7500 units, 99% C1, 1% C2, Tr C3, Tr C4. Lost circulation again at 4349'.

4359' - 4375' No sample. Returns, then lost 525 bbls--25% LCM--in 75 min.

FID Gas: 8400 units, virtually all C1, from downtime & trip at 4375'.

Remark: Reduced sample quality; low recovery of cuttings.

4375' - 4440' At top 40% probable Cement; very soft; very calcareous; part sandy. Sandstone; light to some medium light gray; very fine to medium grained clusters, also loose fine to medium grained sandy; subangular, subrounded; well to some moderately sorted; firm, some quite friable; calcareous; peppered; no to some fair porosity visible, first sample particularly may be cavings. 10% - 20% Shale; brownish to dark brownish gray; smooth to silty; firm; slightly calcareous; platy, subblocky. Total gas 110 - 25 units.

Remark: Much better sample quality, adequate recovery.

4440' - 4510' 80% Sandstone; light to some medium light gray; very fine to fine grained clusters, also loose fine to medium grained sandy; well sorted; firm, some moderately friable; calcareous; commonly peppered; trace glauconite; trace pyrite; no to some fair porosity visible. 20% Shale; medium dark to dark gray and brownish to dark brownish gray; some smooth to much silty; firm; non- to slightly calcareous; part appears organic rich. Downhole, trace Shale; light brownish gray, medium gray tinted green; smooth, waxy. Virtually no sample show.

FID Gas: 4488' - 4510': 30-235-50 units; C1 only.

LITHOLOGY AND SHOWS

4510' - 4580' 80% - 90% Sandstone; light to minor medium light gray, some tinted light brownish gray; very fine to lesser fine grained clusters, also fine to medium to minor lower coarse loose sand; subangular, subrounded; well sorted; firm, downhole some quite hard and partly quartzitic; moderately to slightly calcareous, partly silica cemented downhole; slightly peppered; trace pyrite; mostly no to minor fair porosity visible. 20% - 10% Shale; medium dark gray to brownish black, part coaly to carbonaceous; minor medium gray, light brownish to brownish gray, and greenish gray; varies from silty and very fine grained sandy to some smooth and waxy; firm; non- to slightly calcareous; platy, subblocky. Downhole, trace Calcite; white to clear, some grayish yellow resembles dense limestone and looks out of place; increasingly erratic drilling and bit torque suggests fractures. Virtually no sample show. Total gas 30 - 190, average 50 units; C1 only.

Note: Tripped at 4586' because of bit torque; bit OK. Reran Hughes GT18. Trip gas 1850 units, virtually all C1.

4580' - 4610' 90% - 80% Sandstone; light gray, much tinted light brownish gray; very fine to fine grained and minor medium grained clusters; less loose fine to medium sand; subangular, subrounded; well sorted; mostly firm, but varies from slightly friable to quite hard; calcareous; some glassy broken quartz grains; slightly peppered; trace pyrite; no to fair porosity visible. 10% - 20% Shale; brownish to dark brownish gray; silty; firm; non- to slightly calcareous; carbonaceous in part; platy and Shale; medium gray to greenish gray; waxy; smooth to sandy; appears bentonitic; platy. No sample show. Total gas 160 - 70 units.

TUNUNK SH.
LOWER MANCOS

MD TOP: 4635' TVD TOP: 4056' DATUM: +3925'

4610' - 4730' Interbedded, gradational, fining downward. Sandstone; light gray to increasingly medium gray, minor light brownish gray to brownish gray; mostly very fine grained; continued loose fine to medium sand may be largely caving; well sorted; firm to moderately hard clusters; calcareous, even where glassy broken quartz grains suggest silica cement as well; slightly peppered; some gray to brownish gray silty argillaceous streaks contain rare glauconite and are

LITHOLOGY AND SHOWS

commonly finely carbonaceous; trace pyrite; mostly no porosity visible, fine grained clusters with fair porosity are likely caving. 10% to 30% Siltstone; medium dark gray, brownish gray; argillaceous; commonly very fine grained sandy; firm, some moderately soft; slightly to moderately calcareous; carbonaceous; rare glauconite; subblocky, rounded; grades to lesser Shale; medium dark gray; silty. Trace Shale; greenish gray, light brownish gray; smooth and waxy to sandy; bentonitic; firm; noncalcareous; partly flecked; platy; correlates with slow drilling at 4620'. Virtually no sample show. Total gas 80 - 25 units, average 30 units; C1 only.

4730' - 4779' TD Thin gradational beds, laminae: 30% - 60% Shale; medium dark to dark gray; some smooth, much silty, very fine grained sandy; firm; non- to slightly calcareous; some micromicaceous; occasional sand-size biotite flakes; slightly glauconitic where silty, sandy; subblocky to platy, trace splintery and lesser Siltstone; medium dark gray, brownish gray; argillaceous, commonly very fine grained sandy; slightly glauconitic; subblocky. 70% - 40% Sandstone; light to medium dark gray; very fine grained; well sorted; firm, some quite hard; moderately to slightly calcareous; part very argillaceous, silty, and slightly glauconitic; mostly no porosity visible. Minor Shale; medium gray; waxy, bentonitic. Trace Bentonite; light greenish to greenish gray; smooth to flecked; slow drilling with low pump pressure, particularly at 4732'. No sample show. Total gas 30 - 50 units; C1 - C4.

Remarks: Reappearance of C2 - C4 correlates to dark gray shale.

Ran gamma, induction, neutron, and density logs on run #1. Ran sonic log run #2. Ran formation microimager run #3; hit bridge at approximately 1750'. Tripped to bottom and circulated. Trip gas 240 units; 87% C1, 5% C2, 5% C3, 2% C4.

Anschutz Exploration Corporation
Oman #2-20

SERVICES

CONTRACTOR:	Nabors Drilling USA Rig #181 Toolpushers: Kenny Cruth Patrick Kessel Drillers: Al Guffey Phil Boyles Bob Blanchard Steve Reis Jim Loudermilk	Casper, WY
SUPERVISION:	Jerry Blair Ken Clare	Dubois, WY Vernal, UT
DIRECTIONAL DRILLING:	Schlumberger Anadrill Burley Glasscock Jack Hout	Casper, WY
MWD:	Schlumberger Anadrill Greg Johnson Frank Westcott	Casper, WY
MUD:	Anchor Drilling Fluids USA Lou Arnold Larry Dye Gerald Ashcraft	Denver, CO
MUD LOGGING:	Chief Well Logging Co. Bill Small Jim Lancaster	Denver, CO
SAMPLE LIBRARIES:	Anschutz Exploration Corporation State of Utah	Denver, CO Salt Lake City, UT
WELLSITE GEOLOGY:	T. M. McCoy & Co., Inc. Tim McCoy	Wilson, WY
CORES:	None	
DRILL STEM TESTS:	None	
LOGS:	Schlumberger Well Services Tom Becker Brian Wylie	Vernal, UT

DAILY OPERATIONS

Cumulative days from spud, depth at start of day (7:00 PM), hours, and activity are taken from the rig tour sheets.

Day	Date	Depth	Time	Operation
0	1-14	308'	16 ---	Rig up.
			6 ---	Rig up and drill rat hole.
			2 ---	Pressure test blind rams, wing valve inside manifold to 450 psi.
1	1-15	308'	1 ---	Test BOP to 450 psi.
			2 1/2	Pick up BHA.
			1 ---	Pressure test Hydril, dart valve, 2 manifold chokes, pipe rams.
			3 ---	Drill cement 268' - 308'.
			1/2	Survey: 270' 3/4 deg.
			1 1/2	Drill 8 3/4" hole 308' - 400'.
				2-3" Water flow at about 400'.
			1/2	Survey: 358' 1 3/4 deg.
			1/2	Drill 400' - 431'.
			1/2	Survey: 389' 1 1/2 deg.
			1 ---	Drill 431' - 489'.
			1/2	Survey: 447' 1 1/2 deg.
			1 1/2	Drill 489' - 578'.
			1/2	Survey: 536' 1 3/4 deg.
			2 1/2	Drill 578' - 695'.
			1/2	Survey: 653' 2 1/2 deg.
			1 ---	Drill 695' - 765'.
			1/2	Service rig; check BOP.
			1 ---	Drill 765' - 784'.
			1/2	Survey: 744' 2 1/2 deg.
			3 ---	Drill 784' - 849'.
			1/2	Survey: 807' 2 1/4 deg.
2	1-16	849'	2 ---	Drill 849' - 944'.
			1/2	Survey: 902' 2 deg.
			2 1/2	Drill 944' - 1000'.
			1/2	Circulate bottoms up.
			1/2	Survey: 958' 2 deg.
			2 ---	Trip out. Strip out; lay down 4 drill collars. Water started to flow up drill string at 373'. Pick up dart valve, close Hydril. Estimated flow 200+ BWPH.
			5 ---	Wait on Halliburton to cement water flow.
			1 ---	Trip out drill collars. Trip in drill pipe.
			1 ---	Rig up Halliburton. Cement.
			3 ---	Pump plug #1, 150 sx across water zone at 373'.
			1/2	Pump plug #2, 50 sx.

DAILY OPERATIONS

Day	Date	Depth	Time	Operation
			5 1/2	Wait on cement. Service rig, check BOP.
3	1-17	1000'	1/2	Wait on cement.
			1/2	Trip in 2 stands to 373'. Pump plug #3 150 sx.
				Trip out. Close blind rams.
			12 ---	Wait on cement. Lay down 8 6 3/4" drill collars.
			1 ---	Trip in. Tag cement at 260'.
			4 ---	Drill cement stringers 260' - 282'. Drill good cement 353' - 460'.
			3 1/2	Wash and ream 460' - 1000'. Drill 10 ft of new hole, 1000' - 1010'.
			1 ---	Circulate and condition hole.
			1 1/2	Trip out. Board 1010'; SLM 1010'.
4	1-18	1010'	1 ---	Pick up bent motor to begin directional work.
			11 ---	Water flow resumed. Lay down bent motor. Mix mud: 40 vis, 10 lb/gal, 5 bags of paper, 15 sx of fiber.
			1 ---	Trip in 4 stands and pump 10 lb/gal mud. Well still flowed water.
			9 ---	Thaw water and steam lines.
			2 ---	Move drill collars and pipe racks.
5	1-19	1010'	1 ---	Wait on Dowell.
			3 ---	Rig up Dowell.
			1/2	Pump 75 sx thixotropic cement across water flow.
			10 1/2	Wait on cement. Zone still flowing.
			9 ---	Nipple down BOPs. Nipple up 20" Hydril.
6	1-20	1010'	1 ---	Nipple up.
			1/2	Adjust equipment.
			1/2	Trip in. Tag cement at 150'. Work Hydril, OK.
			6 1/2	Trip out. Lay down drill pipe and drill collars.
			1 ---	Pick up BHA.
			2 ---	Drill stringers of cement 150' - 262'. Drill hard cement 262' - 308'.
			1/2	Lay down drill pipe.
			1/2	Trip in.
			2 ---	Drill 17 1/2" hole 308' - 440'.
			1/2	Survey: 398' 1 deg.
			1 1/2	Drill 440' - 534'.
			1/2	Survey: 493' 1 3/4 deg.
			1/2	Drill 534' - 598'.
			1/2	Survey: 556' 1 3/4 deg.
			1 ---	Drill 598' - 635'.
			1 ---	Repair pump.

DAILY OPERATIONS

Day	Date	Depth	Time	Operation
			1 ---	Drill 635' - 691'.
			1/2	Survey: 649' 2 1/4 deg.
			1 1/2	Drill 691' - 784'.
			1/2	Survey: 743' 2 1/2 deg.
			1/2	Service rig. Check Hydril.
7	1-21	1010'	1 ---	Drill 784' - 860'.
			2 1/2	Change liner and swab in #1 pump.
			1/2	Drill 860' - 876'.
			1/2	Survey: 834' 2 1/4 deg.
			5 ---	Drill 876' - 1000'.
			1/2	Circulate.
			1/2	Drop survey. Blow kelly.
			1 1/2	Trip out.
			5 ---	Rig up casing crew and run casing.
			2 ---	Circulate and work stuck casing at 818'.
			3 ---	Rig up Dowell and cement. 20 joints 13 3/8" 54.5# K55 set at 818'. Cemented with 535 sx 50/50 Poz and 292 sx class G.
			2 ---	Wait on cement.
8	1-22	1010'	3 ---	Wait on cement.
			1 1/2	Cut off 13 3/8" casing. Set out 20" Hydril.
			3 1/2	Cut off 20" casing. Take out head. Fill 20" with dry cement.
			6 ---	Weld plate from 20" to 13 3/8". Weld on head.
			8 ---	Nipple up BOP.
			1 1/2	Pressure test blind rams, inside wing valves.
			1/2	Trip in with 9 7/8" bit. Drain choke lines.
9	1-23	1010'	1 ---	Trip in.
			1 ---	Pressure test pipe rams and Hydril at 1500 psi for 15 min, OK.
			2 1/2	Tag cement at 770'. Drill cement.
			1/2	Wash and ream to bottom.
			7 ---	Trip out. Lay down 8" drill collars--wet, tools freezing. Pick up mud motor. Mud motor frozen; steam, no luck. Lay down motor and pick up another bent motor to begin directional work.
			1 ---	Pick up 4 drill collars. Trip in.
			1 ---	Check MWD and survey.
			1 ---	Drill 1010' - 1079'. Slide 15 ft, rotate 15 ft.
			1/2	Service rig. Check BOP.
			8 1/2	Pull 4 stands. Replace shaker bearings.

DAILY OPERATIONS

Day	Date	Depth	Time	Operation
10	1-24	1079'	4 1/2	Replace shaker bearings.
			1/2	Drill 1079' - 1110'.
			1 1/2	Install rotating head--mud backing up from flowline.
			2 ---	Drill 1110' - 1173'.
			1/2	Change swab in #2 pump.
			5 ---	Drill 1173' - 1267'.
			1/2	Service rig. Check BOP.
			4 1/2	Drill 1267' - 1368'.
			2 ---	Pull 5 stands. Replace shaker motor.
			1 1/2	Trip in. Wash 100 ft to bottom
			1 1/2	Drill 1368' - 1392'.
11	1-25	1392'	8 1/2	Drill 1392' - 1668'.
			1/2	Work on pump.
			7 1/2	Drill 1668' - 1763'.
			7 1/2	Work on #2 pump. Trip out to casing. Close in well.
12	1-26	1922'	7 1/2	Wait on and install pump module.
			1/2	Trip in.
			5 ---	Hit bridge. Wash and ream 1329' - 1922'.
			4 ---	Drill 1922' - 2012'.
			1/2	Service rig.
			6 1/2	Drill 2012' - 2105'.
13	1-27	2105'	2 ---	Drill 2105' - 2134'.
			2 1/2	Trip out for new bit.
			2 ---	Clean diesel spill.
			1 ---	Trip in. Kelly up and test MWD, OK.
			5 ---	Repair pump clutch.
			1 ---	Trip in. Install rotating head.
			1 ---	Wash and ream 130 ft to bottom, 20 ft under gauge.
			2 ---	Drill 2134' - 2173'.
			1 1/2	Trip to repair MWD tool.
			1/2	Work on MWD tool.
			2 ---	Trip in. Check MWD. Install rotating head.
			1/2	Wash to bottom.
			3 ---	Drill 2173' - 2220'.
14	1-28	2220'	4 ---	Drill 2220' - 2323'.
			1/2	Survey: 2280' 37.3 deg S46W
			1 1/2	Trip out.
			1 ---	Lay down mud motor and MWD tool. Pick up near bit stabilizer, short drill collar, IBS, and

DAILY OPERATIONS

Day	Date	Depth	Time	Operation
				monel drill collar.
			1 ---	Trip in. Tag at 1147'.
			8 ---	Wash and ream from 1147' to bottom.
			4 ---	Drill 2323' - 2411'.
			1/2	Survey: 2370' 37 deg S50W.
			3 ---	Drill 2411' - 2507'.
			1/2	Survey: 2466' 36 deg S51W.
15	1-29	2507'	3 ---	Drill 2507' - 2598'.
			1/2	Survey: 2557' 36 deg S52W.
			3 1/2	Drill 2598' - 2693'.
			1/2	Survey: 2652' 35 deg S53W.
			3 1/2	Drill 2693' - 2787'.
			1 ---	Survey: 2746' 34 deg S53W.
			1 ---	Drill 2787' - 2819'.
			4 ---	Trip out; tight 2578' - 2206', pump out singles.
			1 ---	Pick up 7 drill collars.
			4 ---	Trip in.
			1/2	Wash to bottom.
			1 1/2	Drill 2819' - 2853'.
16	1-30	2853'	4 ---	Drill 2853' - 2920'.
			1/2	Survey: misrun.
			1 ---	Drill 2920' - 2950'.
			1 1/2	Survey: misrun, crossover sub at top of drill collars plugged with gelled material.
			1 ---	Trip out.
			1 ---	Check survey tool.
			1 ---	Trip in.
			1/2	Survey: 2920' 34 deg S54W.
			4 1/2	Drill 2950' - 3042'.
			1/2	Survey: 3011' 35 deg S55W.
			5 ---	Drill 3042' - 3136'.
			1/2	Survey: 3106' 35 deg S55W.
			3 ---	Drill 3136' - 3198'.
17	1-31	3198'	1 1/2	Drill 3198' - 3228'.
			1/2	Survey: 3197' 36 deg S55W.
			3 ---	Drill 3228' - 3322'.
			1/2	Survey: 3290' 37 deg S57W.
			4 ---	Drill 3322' - 3414'.
			1/2	Survey: 3383' 38 deg S59W.
			2 1/2	Drill 3414' - 3465'.
			1 1/2	Wiper trip, 20 stands 3465' - 1571'.
			2 ---	Drill 3465' - 3506'.
			1 ---	Survey: 3475' 40 deg S58W.

DAILY OPERATIONS

Day	Date	Depth	Time	Operation
			4 1/2	Drill 3506' - 3600'.
			1/2	Survey: 3569' 40 deg S60W.
			2 ---	Drill 3600' - 3630'.
18	2-1	3630'	3 1/2	Drill 3630' - 3693'.
			1/2	Survey: 3662' 40 deg S60W.
			1 1/2	Drill 3693' - 3724'.
			2 ---	Wiper trip, 20 stands. Wash 30 ft to bottom.
			4 ---	Drill 3724' - 3785'.
			1/2	Survey: 3755' 41 deg S62W.
			1/2	Service rig. Check BOP.
			4 ---	Drill 3785' - 3879'.
			1/2	Survey: 3848' 42 deg S62W.
			2 1/2	Drill 3879' - 3942'.
			1 ---	Circulate samples at 3942'. Pump pill.
			3 1/2	Trip out. Close blind rams. Lay down stabilzation. Run new bit Smith F15.
19	2-2	3942'	3 ---	Trip in. Run new jars.
			1 ---	Circulate trip gas, 560 units.
			2 ---	Drill 3942' - 3967'.
			1/2	Survey: 3967' 42 deg S63W.
			6 ---	Drill 3967' - 4061'.
			1/2	Survey: 4031' 40 deg S63W.
			5 1/2	Drill 4061' - 4154'.
			1/2	Survey: 4124' 38 deg S64W.
			1/2	Service rig. Check BOP.
			3 ---	Drill 4154' - 4203'.
			1 1/2	Wiper trip, 20 stands.
20	2-3	4203'	1/2	Trip in.
			1/2	Circulate short trip gas, 290 units.
			3 1/2	Drill 4203' - 4248'.
			1/2	Survey: 4217' 36 deg S65W.
			5 1/2	Drill 4248' - 4342'.
			1/2	Survey: 4311' 35 deg S65W.
			1 ---	Drill 4342' - 4359'.
			1 1/2	Lost circulation at 4359'. Trip out to casing.
			3 ---	Mix LCM (maxiseal, cedar fiber, sawdust).
			2 ---	Strip out. Well flowing water, estimated 500+ BWPB.
			1 ---	Lay down monel. Jet bit with 3 20s.
			1 ---	Strip in hole to 1162', bridged off.
			1 1/2	Install rotating head. Displace hole with mud.
			2 ---	Trip in. Knock out bridges.

DAILY OPERATIONS

Day	Date	Depth	Time	Operation
21	2-4	4359'	1/2	Wash and ream bridges to 1795'.
			5 ---	Mix mud, build volume, 22% LCM.
			2 ---	Wash and ream 1795' - 2100'.
			1 ---	Trip in to 3947'.
			3 ---	Wash and ream 3947' - 4349'.
			1 ---	Circulate.
			2 1/2	Lost returns without tagging bottom. Trip out; tight 1623', 1529', and 1249'.
			7 ---	Mix mud, build volume.
			1 1/2	Install rotating head. Trip in.
			1/2	Circulate at 1251', bridge.
22	2-5	4359'	3 1/2	Wash and ream; tight 1251' - 1820'.
			5 ---	Circulate and build volume at 1760'.
			1 ---	Wash and ream 1760' - 1850'.
			1 ---	Trip in 1850' - 2685'.
			1 1/2	Wash and ream 2685' - 2785'.
			1/2	Trip in 2785' - 3892'.
			1 1/2	Circulate and build volume.
			3 ---	Ream 3892' - 3982'. Trip in 3982' - 4137'. Ream 4137' - 4334'.
			2 ---	Circulate and mix mud, 25% LCM.
			1 1/2	Drill 4359' - 4375'. Returns, then lost 525 B.
			2 1/2	Trip out.
			1 ---	Clean mud tank.
23	2-6	4375'	13 1/2	Clean mud tank. Mix mud, build volume.
			1/2	Trip in to 1376'.
			1 1/2	Kill water flow with 9.0 lb/gal mud.
			2 ---	Trip in. Knock out bridges at 2311' and 3876'.
			2 ---	Circulate and mix mud.
			4 1/2	Drill 4375' - 4428'. Seepage, no major losses.
24	2-7	4428'	16 ---	Drill 4428' - 4586'.
			3 ---	Trip out. Board 4586.82'; SLM 4588.11'. Close blind rams.
			1/2	Service rig. Work pipe rams and Hydril.
			2 ---	Trip in.
			1 1/2	Attempt to circulate; plugged.
			1 ---	Pull 5 stands and attempt to circulate.
25	2-8	4586'	1 1/2	Trip out.
			1 ---	Unplug 2 joints drill pipe and crossover; lay down 1 plugged drill collar; unplug 2 jets.
			1/2	Trip out.
			1/2	Remove float.

DAILY OPERATIONS

Day	Date	Depth	Time	Operation
			2 1/2	Trip in. Break circulation while going in.
			1 ---	Wash and ream 150 ft to bottom.
			9 1/2	Drill 4586' - 4687'.
			1/2	Service rig. Check BOP.
			7 ---	Drill 4687' - 4748'.
26	9-9	4748'	2 1/2	Drill 4748' - 4779' TD.
			2 ---	Circulate for logs.
			2 ---	Trip out 38 stands.
			1/2	Pump weighted mud across water flows.
			1 ---	Trip out. Remove rotating head.
			3 ---	Nipple down BOP. Install well head reducer bushing.
			1 ---	Rig up Schlumberger.
			12 ---	Log. Run #1: gamma, induction, neutron, density. Several telemetry crashes during run #1. Run #2: sonic. Run #3: formation microimager.
27	9-10	4779'	2 ---	Log. Formation microimager tool hit bridge at approximately 1750'.
			1/2	Rig down loggers.
			2 1/2	Trip in.
			1/2	Wash 60 ft to bottom; 5 ft of fill.
			2 ---	Circulate.
			2 1/2	Trip out.
			4 1/2	Rig up loggers. Run formation microimager. Stuck at 3854' - 3846' for 20 min with maximum safe pull, then free.
				Prepare to run production casing.

Anschutz Exploration Corporation
Oman #2-20

MUD RECORD

Date	Depth	Wt	Vis	PV	YP	GS	pH	FL	Cake	Pf	Mf
1-15	850	9.2	38	16	7	2/ 8	9.0	16.4	2	0.6	.8
1-16	1000	8.9+	35	8	5	1/ 6	9.4	13.8	2	0.8	.9
1-17	1000	9.1	34	12	19	5/20	12.0	n/a	4	8.4	8.6
1-18	1010	10.0+	42	18	12	6/14	10.5	22.6	2	4.1	4.6
1-19	1010	8.4	27	n/a	n/a	n/a	11.5	n/a	n/a	1.9	2.1
1-20	534	9.8	35	6	22	4/ 6	12.5	n/a	2	2.0	2.1
1-21	1000	9.9	39	5	n/a	7/ 7	12.5	n/a	2	2.0	2.1
1-22	1000	8.4	27	n/a	n/a	n/a	12.5	n/a	n/a	1.7	1.9
1-23	1079	8.5+	41	10	6	1/ 3	10.5	10.4	1	1.6	3.1
1-24	1336	8.8	40	10	10	2/ 4	10.5	10.8	1	0.4	0.55
1-25	1922	8.7	40	6	7	1/ 2	9.5	10.6	2	0.1	0.22
1-26	2020	9.0	40	10	6	1/ 2	9.0	10.9	2	0.1	0.2
1-27	2173	9.2	39	11	6	1/ 4	9.5	10.4	1	0.2	0.3
1-28	2400	9.2	39	10	9	2/ 6	9.8	10.8	2	0.3	0.5
1-29	2819	9.1	40	10	8	3/ 9	10.2	10.4	2	0.4	0.7
1-30	3060	9.1+	38	10	7	1/ 4	10.0	10.3	2	0.2	0.4
1-31	3504	9.3	39	10	10	2/ 2	9.2	10.0	2	0.15	0.3
2-1	3872	9.2	40	10	7	1/ 3	10.0	10.0	2	0.2	0.4
2-2	4116	9.1+	39	7	6	1/ 3	9.0	10.0	2	0.1	0.35
2-3	4359	9.1	55	10	8	2/ 5	9.0	10.8	2	0.1	0.4
2-4	4359	8.5	46	11	8	2/ 7	9.0	11.2	2	0.12	0.44
2-5	4359	8.7	52	22	10	3/11	9.0	11.6	2	0.2	0.5
2-6	4455	9.1	49	16	8	2/ 7	8.5	14.4	2	0.1	0.6

Anschutz Exploration Corporation
Oman #2-20

MUD RECORD

Date	Depth	Wt	Vis	PV	YP	GS	pH	FL	Cake	Pf	Mf
2-7	4590	9.0	55	14	9	2/ 8	8.8	12.0	2	0.05	0.7
2-8	4768	9.3	48	22	10	1/ 5	9.3	8.0	2	0.2	0.8
2-9	4779	9.2	42	12	7	2/ 5	9.5	6.0	2	0.3	1.3

Anschutz Exploration Corporation
Oman #2-20

MUD RECORD

C1	Ca	Sd	Sol	Oil	H2O	LCM	Remarks
500	10	0.75	6.3	0	93.7	Tr	
600	5	0.5	4.2	0	95.8	n/a	Cement H2O flow at 373'
1500	720	0.25	5.5	0	94.5	n/a	Drill cement
800	360	0.25	9.0	0	91.0	10%	Weight up for H2O flow
500	352	0.0	n/a	0	n/a	n/a	
1100	800	1.0	10.0	0	90.0	n/a	Open hole to 17 1/2"
1100	600	1.5	11.0	0	89.0	n/a	Set 13 3/8" at 818'
1400	600	n/a	0.0	0	100.0	n/a	Drill cement
1200	10	Tr	1.0	0	99.0	n/a	
900	Tr	0.5	2.0	0	98.0	n/a	
500	Tr	0.5	2.0	0	98.0	n/a	
400	Tr	0.75	4.0	0	96.0	n/a	
400	Tr	1.0	5.0	0	95.0	n/a	
400	Tr	0.75	5.0	0	95.0	n/a	
600	Tr	0.63	5.0	0	95.0	n/a	
600	10	0.75	5.0	0	95.0	n/a	
600	Tr	0.5	6.0	0	94.0	n/a	
700	10	0.13	5.0	0	95.0	n/a	
700	10	Tr	5.0	0	95.0	n/a	
600	10	0.25	5.0	0	95.0	15-20%	Lost returns, 50 B
500	Tr	Tr	1.5	0	98.5	25%	Lost 300 B
600	Tr	Tr	2.0	0	98.0	15%	Lost 525 B
700	10	0.75	5.0	0	95.0	15%	Seepage, 275 B / 24 hrs

Anschutz Exploration Corporation
Oman #2-20

MUD RECORD

Cl	Ca	Sd	Sol	Oil	H2O	LCM	Remarks
600	10	0.75	4.5	0	95.5	22%	250 B / 24 hrs
600	Tr	0.75	7.0	0	93.0	18%	50 B / 24 hrs
600	Tr	0.75	6.0	0	94.0	18%	100 B / 24 hrs

ABBREVIATIONS & UNITS

Weight (Wt)	Lbs/gal
Viscosity (Vis)	Sec/qt
Plastic Viscosity (PV)	Centipoise
Yield Point (YP)	Lbs/100 square ft
Gel Strengths (GS)	Lbs/100 square ft (10 sec / 10 min)
pH	
Filtrate (FL)	Ml/30 min
Cake	32nds inch
Alkalinity (Pf, Mf, and Pm)	Ml of N-50 H2SO4
Chloride (Cl)	ppm
Calcium (Ca)	ppm
Sand % (Sd)	% by volume
Solids % (Sol)	% by volume
Oil %	% by volume
Water Content % (H2O)	% by volume
Lost Circulation Material (LCM)	% by volume

Anschutz Exploration Corporation
Oman #2-20

BIT RECORD

Bit #	Size	Make	Type	Depth Out	Ft Cut	Hours	Ft/Hr
1	8 3/4	Hughes	GT1	1000	692	16 1/2	41.9
2	17 1/2	Hughes	R1	1000	692	14 ---	49.4
3RR	9 7/8	Smith	FDS	1010	0	2 1/2	n/a
4	8 3/4	Reed	HP11	2134	1124	43 ---	26.1
5	8 3/4	Hughes	GT18	3942	1808	81 ---	22.3
6	8 3/4	Smith	F15	4586	644	48 1/2	13.2
5RR	8 3/4	Hughes	GT18	4779	193	19 ---	10.1

Bit #	Weight	RPM	Pump Press.	Dull Code & Comments I O D L B G O R
1	10-20	100-110	225-400	6 3 WT A E 6 NO BHA Later TD @ 1010'
2	---	---	---	- - - TD 13 3/8" csg @ 818'
3RR	---	---	---	- - - DP
4	10-20	60/100	700-750	4 6 FC A E 12 Directional drilling
5	20-45	40-80	800-1000	3 5 FC A E 1 NO BHA
6	25-40	80-75	1000	4 4 FC M E 1 BT TQ
5RR	35-40	80	300	3 5 FC A E 1 NO TD

DEVIATIONS

Depth	Degree	Direction	Depth	Degree	Direction
270	3/4		3106	35.0	S55W
358	1 3/4		3197	36.0	S55W
389	1 1/2		3290	37.0	S57W
447	1 1/2		3383	38.0	S59W
536	1 3/4		3475	40.0	S58W
653	2 1/2		3569	40.0	S60W
744	2 1/2		3662	40.0	S60W
807	2 1/4		3755	41.0	S62W
902	2 ---		3848	42.0	S62W
958	2 ---				

Opened hole to 17 1/2":

398	1 ---	
493	1 3/4	
556	1 3/4	
649	2 1/4	
743	2 1/2	
834	2 1/4	

Directional drilling with MWD:

973	2.2	S84E
1067	2.6	S19E
1161	3.3	S37W
1255	7.4	S52W
1349	12.0	S56W
1440	15.6	S60W
1532	18.0	S53W
1625	22.1	S46W
1720	24.9	S46W
1813	27.8	S48W
1907	30.2	S50W
2000	33.1	S49W
2094	35.8	S47W
2186	36.7	S45W
2280	37.3	S46W

Drilling with stabilization:

2370	37.1	S50W
2466	36.0	S51W
2557	36.0	S52W
2652	35.0	S52W
2746	34.0	S53W
2920	34.0	S54W
3011	35.0	S55W

Drilling without stabilization:

3967	42.0	S63W
4031	40.0	S63W
4124	38.0	S64W
4217	36.0	S65W
4311	35.0	S65W

Adjusted FMI log data:

4400	33.5	S64W
4500	31.7	S63W
4600	29.6	S62W
4700	28.1	S62W
4779	28.2	S63W

Note: Directions are corrected for 12.6 deg E declination.

Anschutz Exploration Corporation
Oman #2-20

COMPOSITE WELL SURVEY

MD ft	INC deg	DIR deg	C/L ft	TVD ft	VS ft	N+/S- ft	E+/W- ft	DOGLEG deg/100ft
308	0.00	0.00		308.00		0.00	0.00	0
973	2.20	96.30	665	972.84	-8.82	-1.40	12.69	0.33
1067	2.60	160.90	94	1066.77	-9.30	-3.61	15.18	2.75
1161	3.30	217.20	94	1160.66	-5.90	-7.78	14.24	3.03
1255	7.40	232.00	94	1254.24	2.79	-13.67	7.83	4.57
1349	12.00	236.20	94	1346.87	18.56	-22.84	-5.06	4.95
1440	15.60	236.90	91	1435.23	40.12	-34.79	-23.18	3.96
1532	18.00	233.40	92	1523.30	66.59	-50.02	-44.96	2.83
1625	22.10	225.60	93	1610.66	98.40	-70.84	-69.01	5.25
1720	24.90	226.30	95	1697.77	136.18	-97.16	-96.24	2.96
1813	27.80	228.40	93	1781.10	177.41	-125.10	-126.62	3.27
1907	30.20	229.90	94	1863.31	222.97	-154.88	-161.10	2.67
2000	33.10	229.20	93	1942.47	271.76	-186.55	-198.23	3.14
2094	35.80	227.00	94	2019.98	324.90	-222.08	-237.77	3.16
2186	36.70	225.20	92	2094.17	379.16	-259.80	-276.96	1.51
2280	37.30	226.40	94	2169.25	435.58	-299.24	-317.52	1.00
2370	37.10	229.60	90	2240.94	489.95	-335.64	-357.94	2.16
2466	36.00	230.60	96	2318.06	547.11	-372.31	-401.79	1.30
2557	36.00	231.60	91	2391.68	600.59	-405.90	-443.42	0.65
2652	35.00	232.60	95	2469.02	655.72	-439.79	-486.94	1.22
2746	34.00	232.60	94	2546.49	708.90	-472.13	-529.24	1.06
2920	34.00	233.60	174	2690.74	806.06	-530.55	-607.05	0.32
3011	35.00	234.60	91	2765.74	857.47	-560.77	-648.80	1.26
3106	35.00	234.60	95	2843.56	911.78	-592.33	-693.22	.00
3197	36.00	234.60	91	2917.64	964.45	-622.94	-736.29	1.10
3290	37.00	236.60	93	2992.40	1019.50	-654.18	-781.94	1.67
3383	38.00	238.60	93	3066.19	1075.60	-684.50	-829.74	1.69
3475	40.00	237.60	92	3137.68	1132.92	-715.11	-878.88	2.28
3569	40.00	239.60	94	3209.69	1192.65	-746.58	-930.45	1.37
3662	40.00	239.60	93	3280.93	1251.59	-776.83	-982.01	.00
3755	41.00	241.60	93	3351.65	1310.95	-806.47	-1034.63	1.76
3848	42.00	241.60	93	3421.31	1371.31	-835.78	-1088.83	1.08
3967	42.00	242.60	119	3509.74	1449.17	-873.04	-1159.20	0.56
4031	40.00	242.60	64	3558.04	1490.14	-892.36	-1196.48	3.13
4124	38.00	243.60	93	3630.31	1547.14	-918.85	-1248.66	2.25

COMPOSITE WELL SURVEY

MD ft	INC deg	DIR deg	C/L ft	TVD ft	VS ft	N+/S- ft	E+/W- ft	DOGLEG deg/100ft
4217	36.00	244.60	93	3704.58	1601.42	-943.30	-1299.00	2.25
4311	35.00	244.60	94	3781.11	1654.24	-966.72	-1348.31	1.06
4400	33.50	243.60	89	3854.67	1702.81	-988.59	-1393.37	1.80
4500	31.70	242.60	100	3938.91	1755.28	-1012.95	-1441.42	1.88
4600	29.60	241.60	100	4024.94	1805.11	-1036.79	-1486.48	2.16
4700	28.10	241.60	100	4112.53	1852.38	-1059.74	-1528.92	1.50
4779	28.20	242.60	79	4182.18	1888.82	-1077.18	-1561.86	0.61

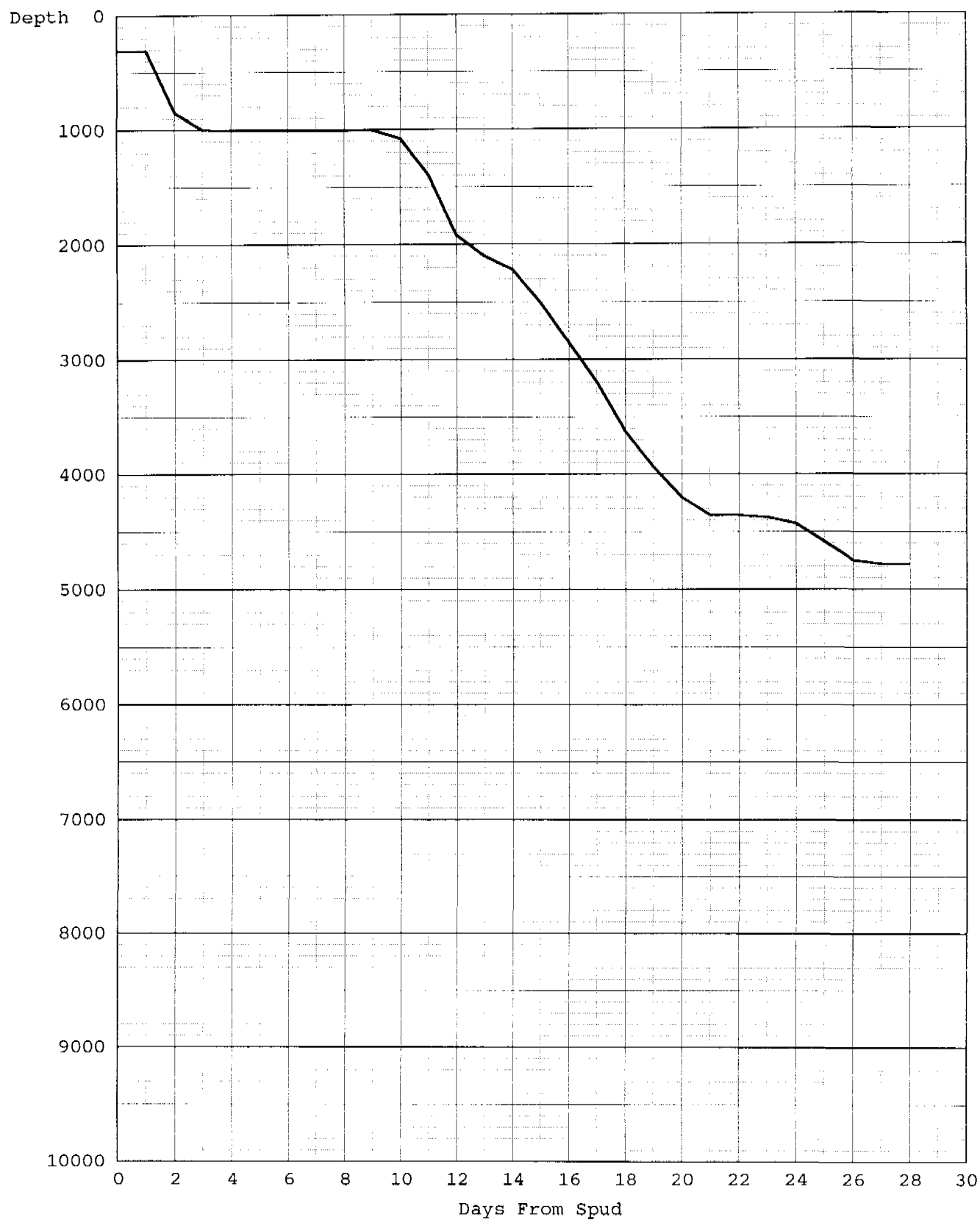
Closure: 1897', 235.4 deg, in target.

This well survey was computed in the field from several sources: Schlumberger Anadrill MWD surveys 308' - 2280'; rig wireline surveys 2370' - 4311'; and Schlumberger log surveys from Formation Microimager 4400' - 4779'.

Schlumberger log surveys were tied to the rig surveys by adding 3.6 deg to log survey azimuths. No adjustment was needed for inclination. The adjusted log survey azimuths are used here.

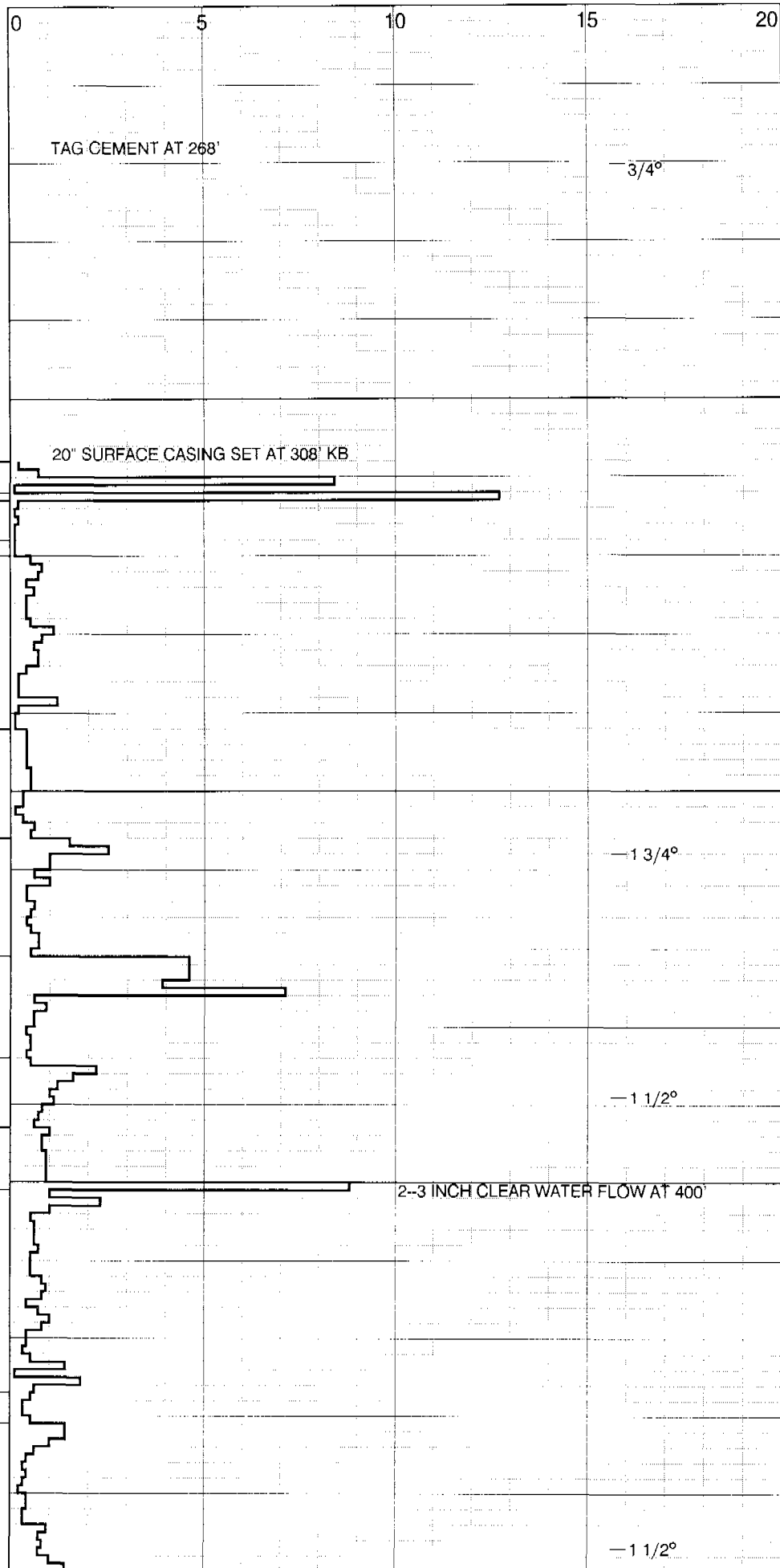
Original target TVD = 4500'; direction = 230 deg. Azimuths include correction for 12.59 deg E declination. Computation method is minimum curvature.

DRILLING CURVE



Black-
hawk Fm

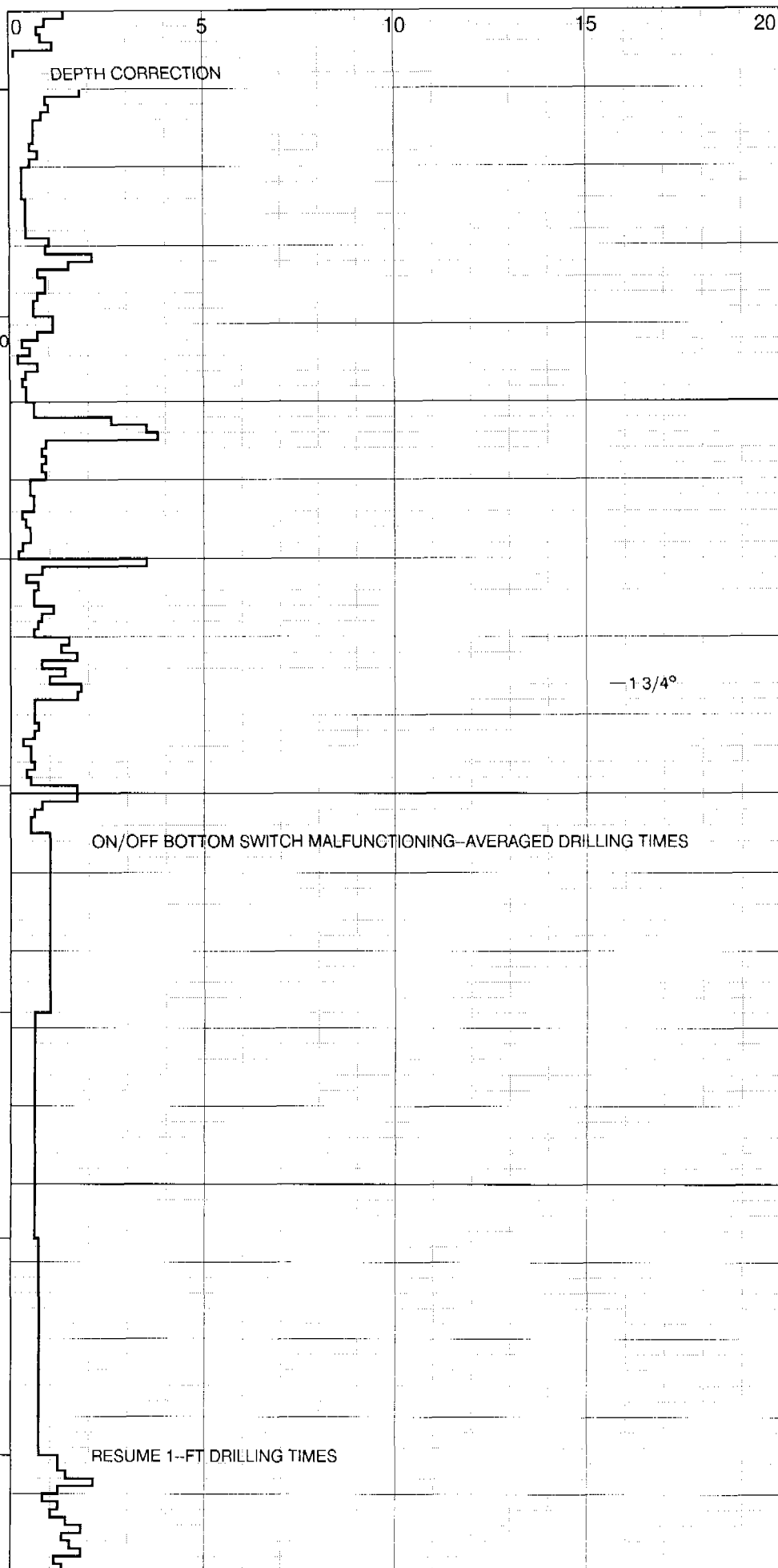
Bit 1
Hughes
GT1
WOB 15-20
RPM 100
PP 225
SPM 120



300

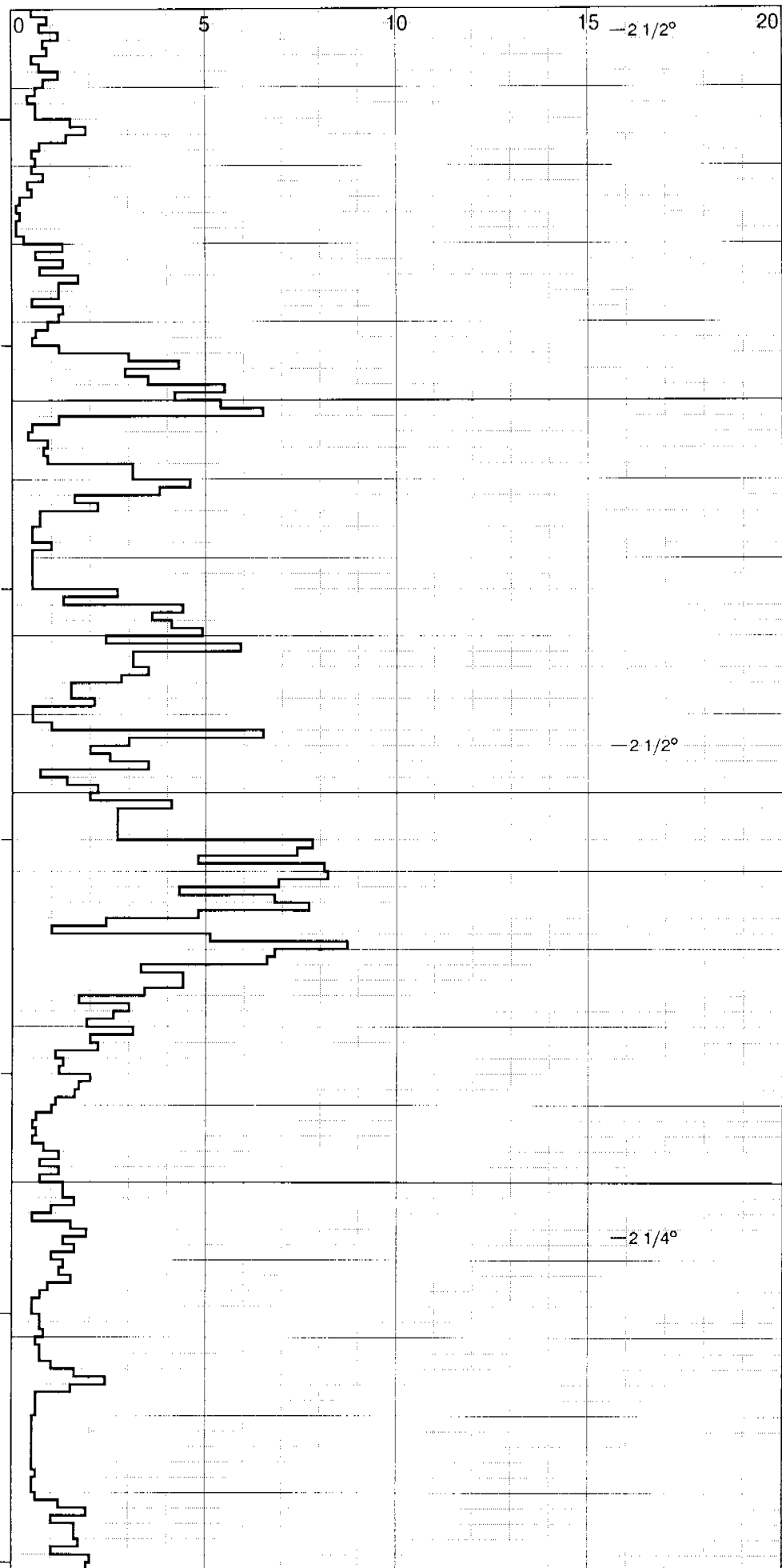
400

WOB 15-10
RPM 100-110
PP 400
SPM 120



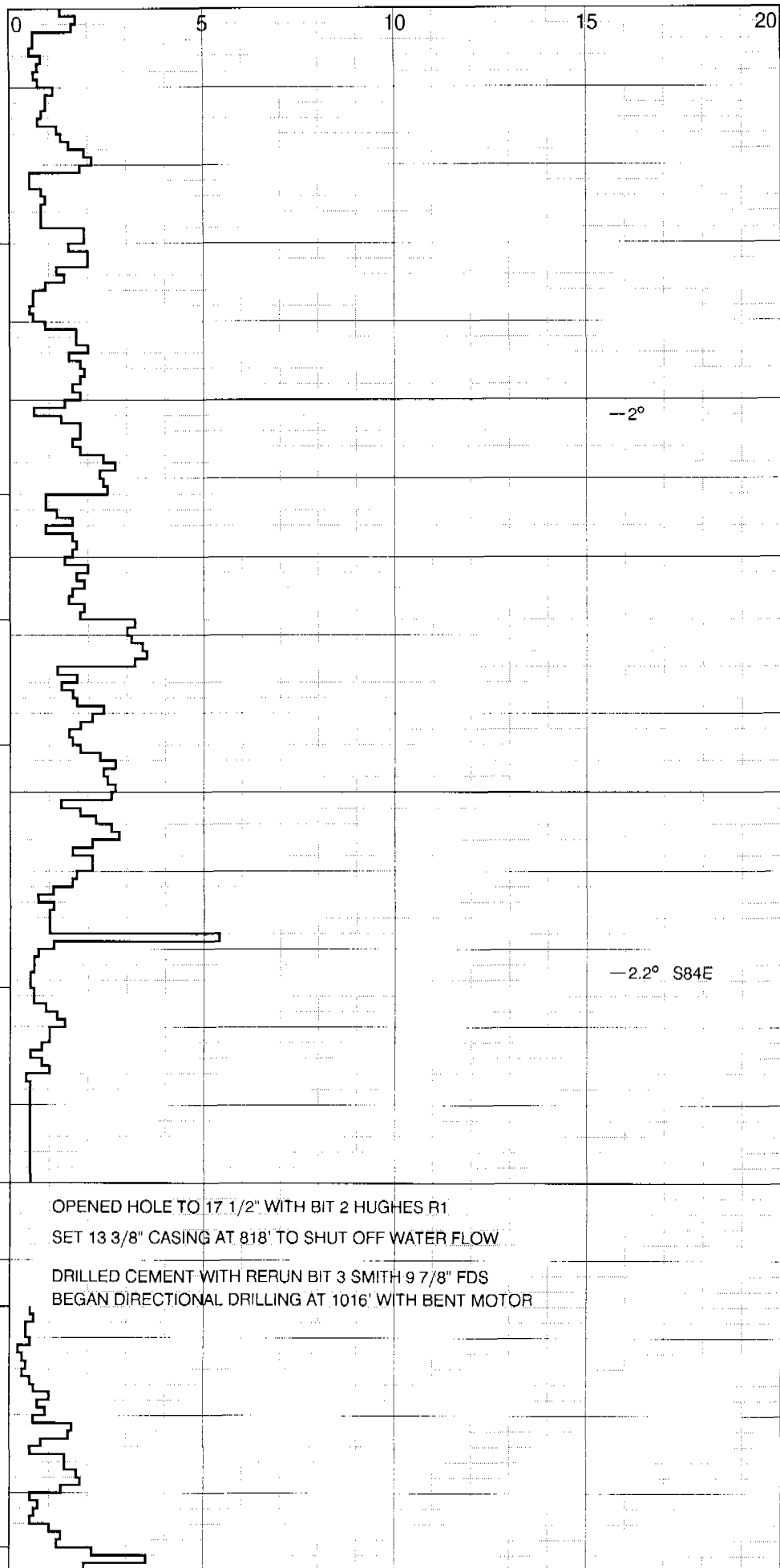
500

600



RPM 100
PP 400
SPM 120

Mud: 850
Wt 9.2
Vis 38
PV 16
YP 7
GS 2/8
pH 9.0
FL 16.4
Cake 2/32
Pf 0.6
Mf 0.8
CI 500
Ca 10
Sd 0.75
Sol 6.3
Oil ---
H2O 93.7
LCM ---



WOB 10-15
RPM 60/100
PP 600
SPM 75+75

Mud: 1079
Wt 8.5+
Vis 41
PV 10
YP 6
GS 1/3
pH 10.5
FL 10.4
Cake 1/32
Pf 1.6
Mf 3.1
Cl 1200
Ca 10
Sd Tr
Sol 1.0
Oil ---
H2O 99.0
LCM ---

REPLACE SHAKER BEARINGS

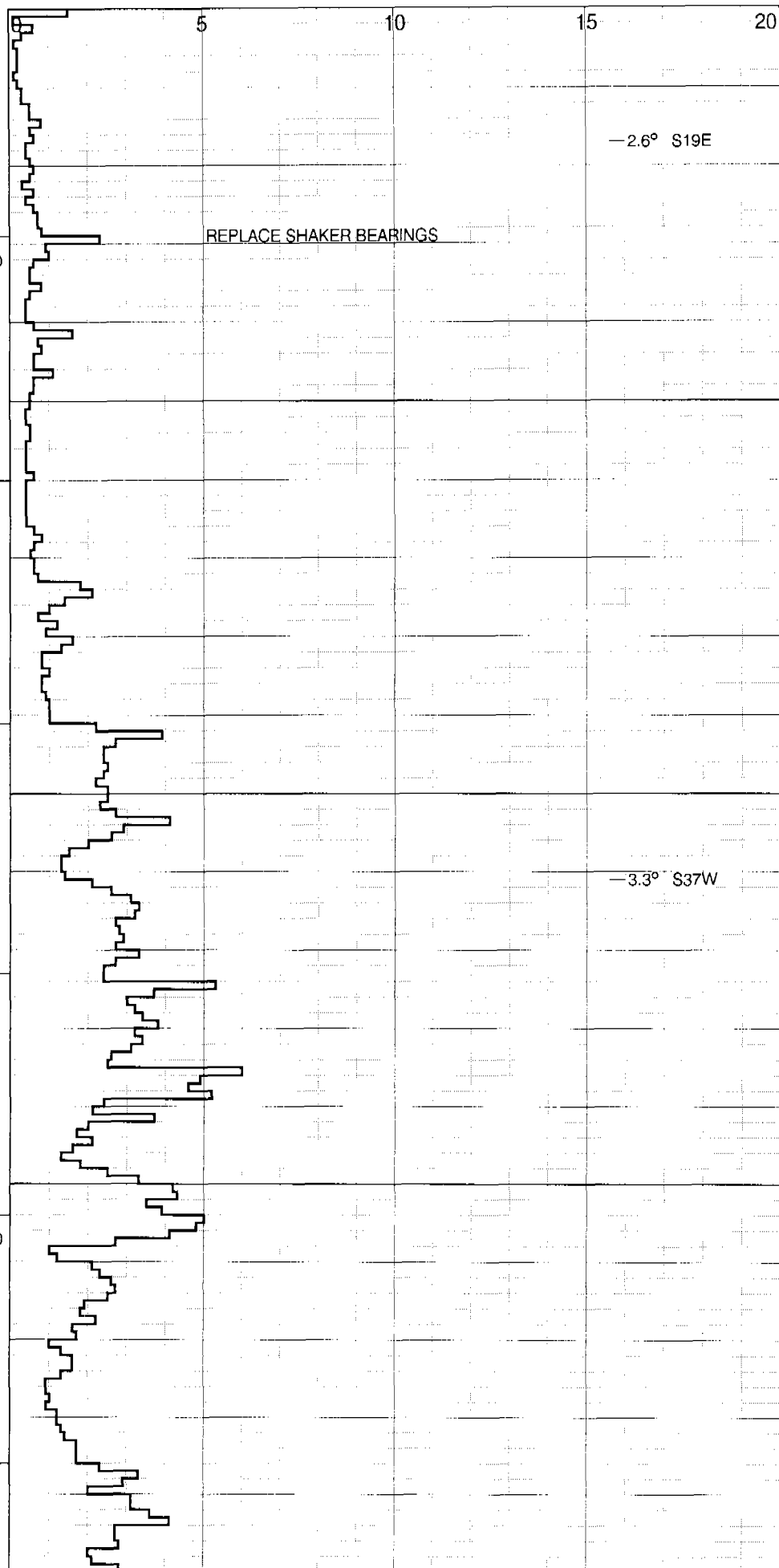
—2.6° S19E

1100

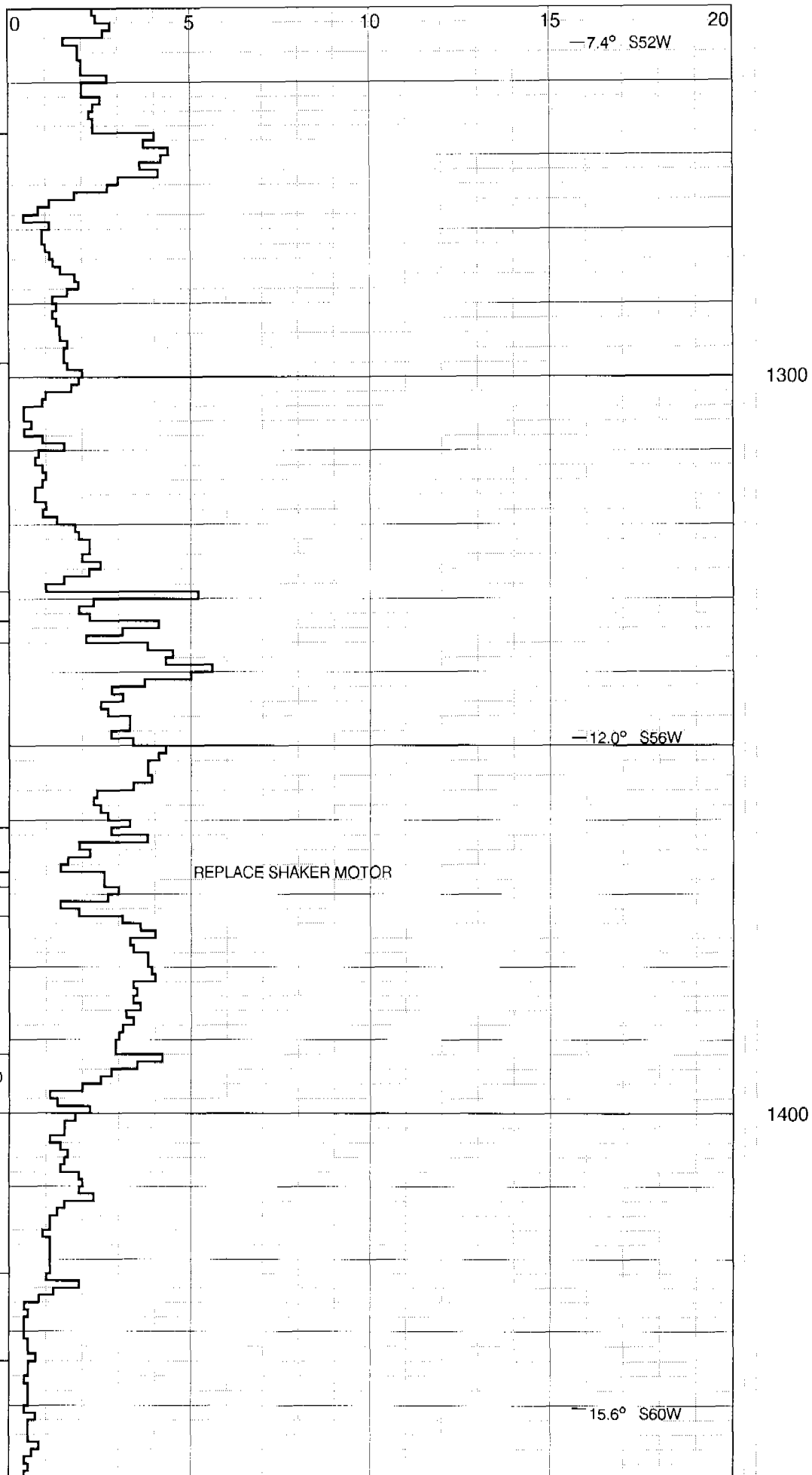
—3.3° S37W

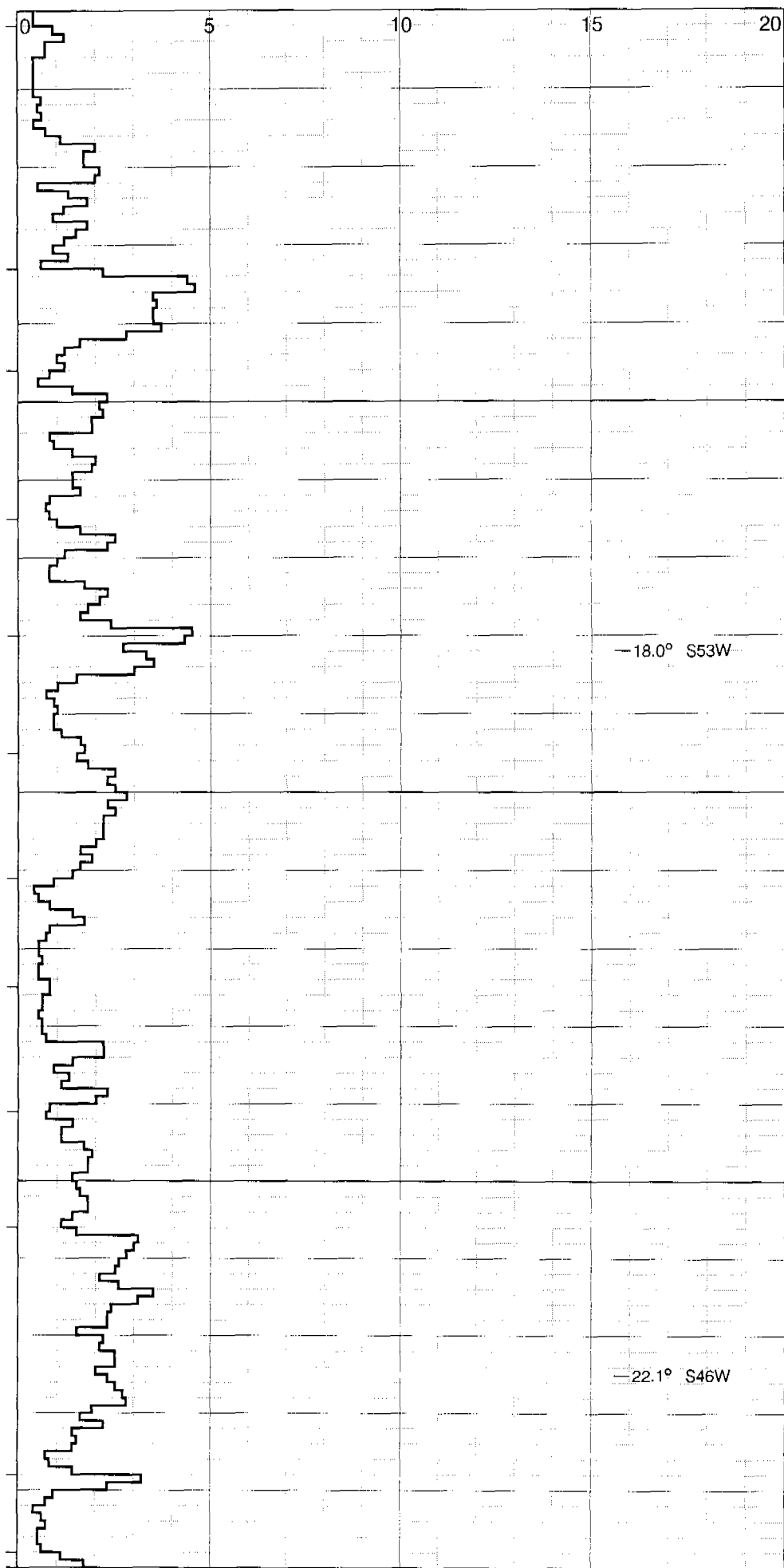
1200

WOB 10-20
RPM 60/100
PP 750
SPM 76+75

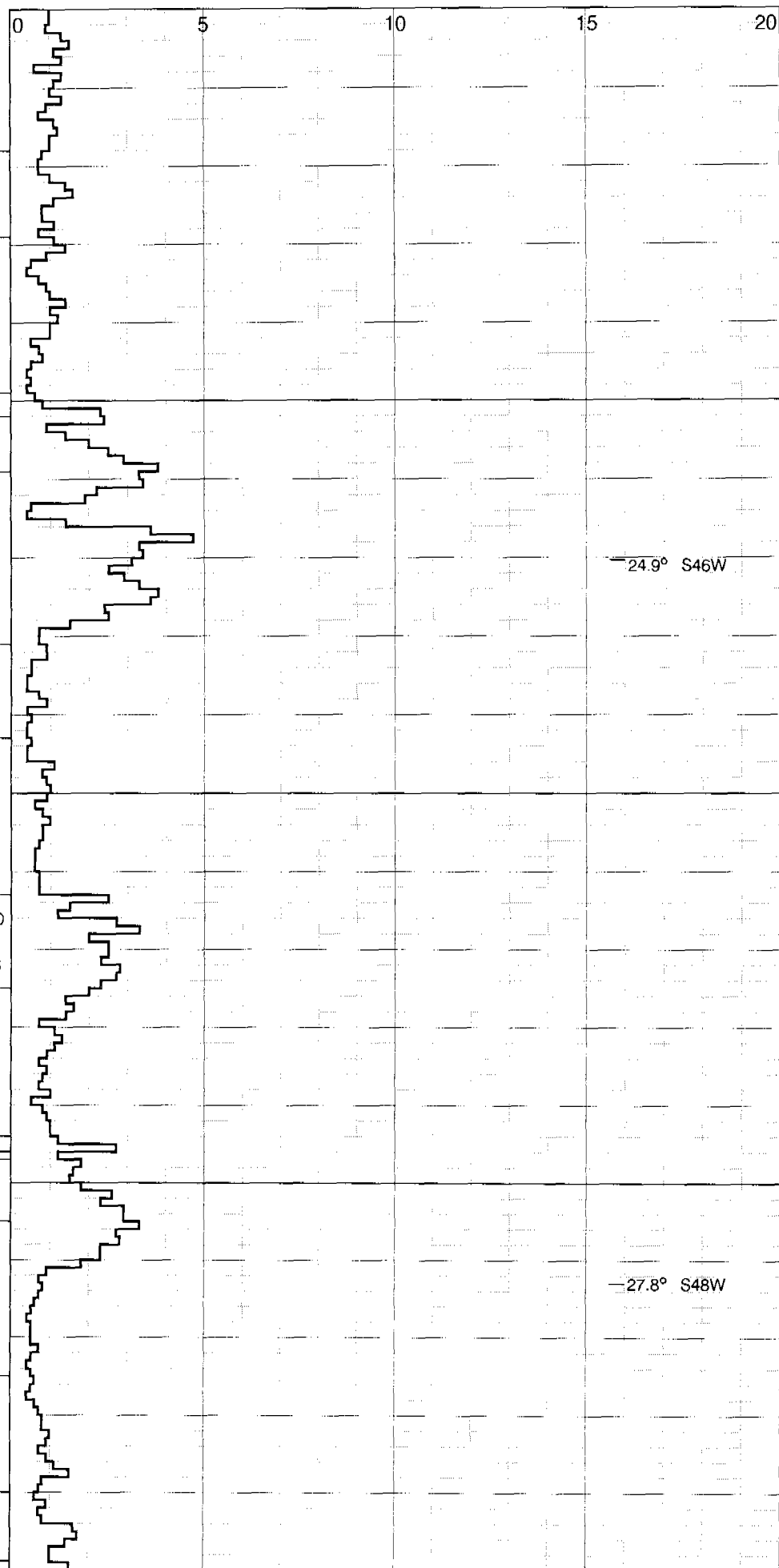


Mud: 1336
Wt 8.8
Vis 40
PV 10
YP 10
GS 2/4
pH 10.5
FL 10.8
Cake 1/32
Pf 0.4
Mf 0.55
CI 900
Ca Tr
Sd 0.5
Sol 2.0
Oil ---
H2O 98.0
LCM ---
WOB 10-20
RPM 60/100
PP 750
SPM 76+76





WOB 10-20
RPM 60/100
PP 750
SPM 76+76



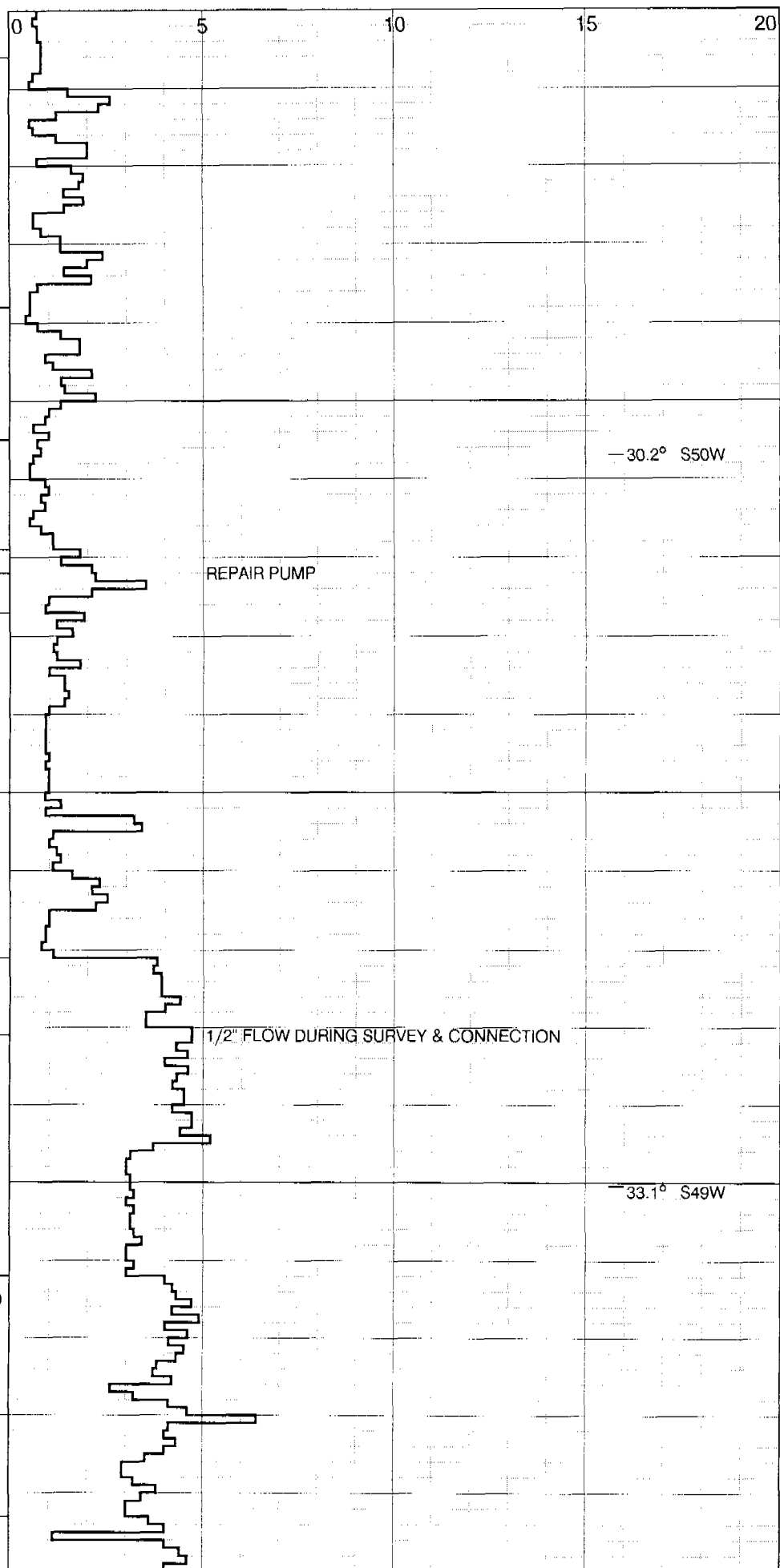
1700

1800

Mud: 1922
 Wt 8.7
 Vis 40
 PV 6
 YP 7
 GS 1/2
 pH 9.5
 FL 10.6
 Cake 2/32
 Pf 0.1
 Mf 0.22
 Cl 500
 Ca Tr
 Sd 0.5
 Sol 2.0
 Oil ---
 H2O 98.0
 LCM ---

WOB 10-20
 RPM 60/100
 PP 750
 SPM 75+75

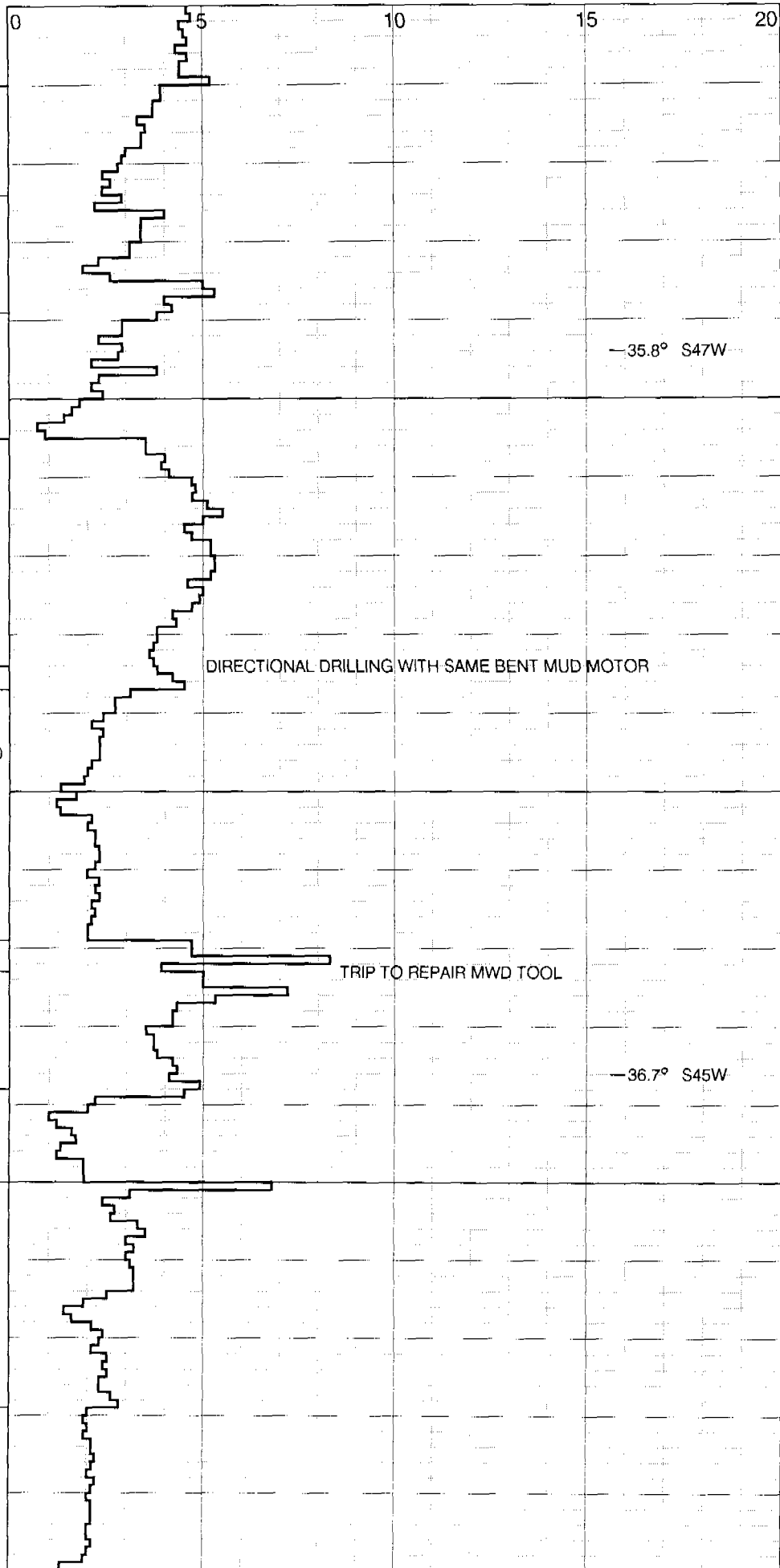
Mud: 2020
 Wt 9.0
 Vis 40
 PV 10
 YP 6
 GS 1/2
 pH 9.0
 FL 10.9



1900

2000

Cake 2/32
Pf 0.1
Mf 0.2
Cl 400
Ca Tr
Sd 0.75
Sol 4.0
Oil ---
H2O 96.0
LCM ---



Bit 5

Hughes
GT18
WOB 20
RPM 70/100
PP 800
SPM 75+75

Mud: 2173
Wt 9.2
Vis 39
PV 11
YP 6
GS 1/4
pH 9.5
FL 10.4

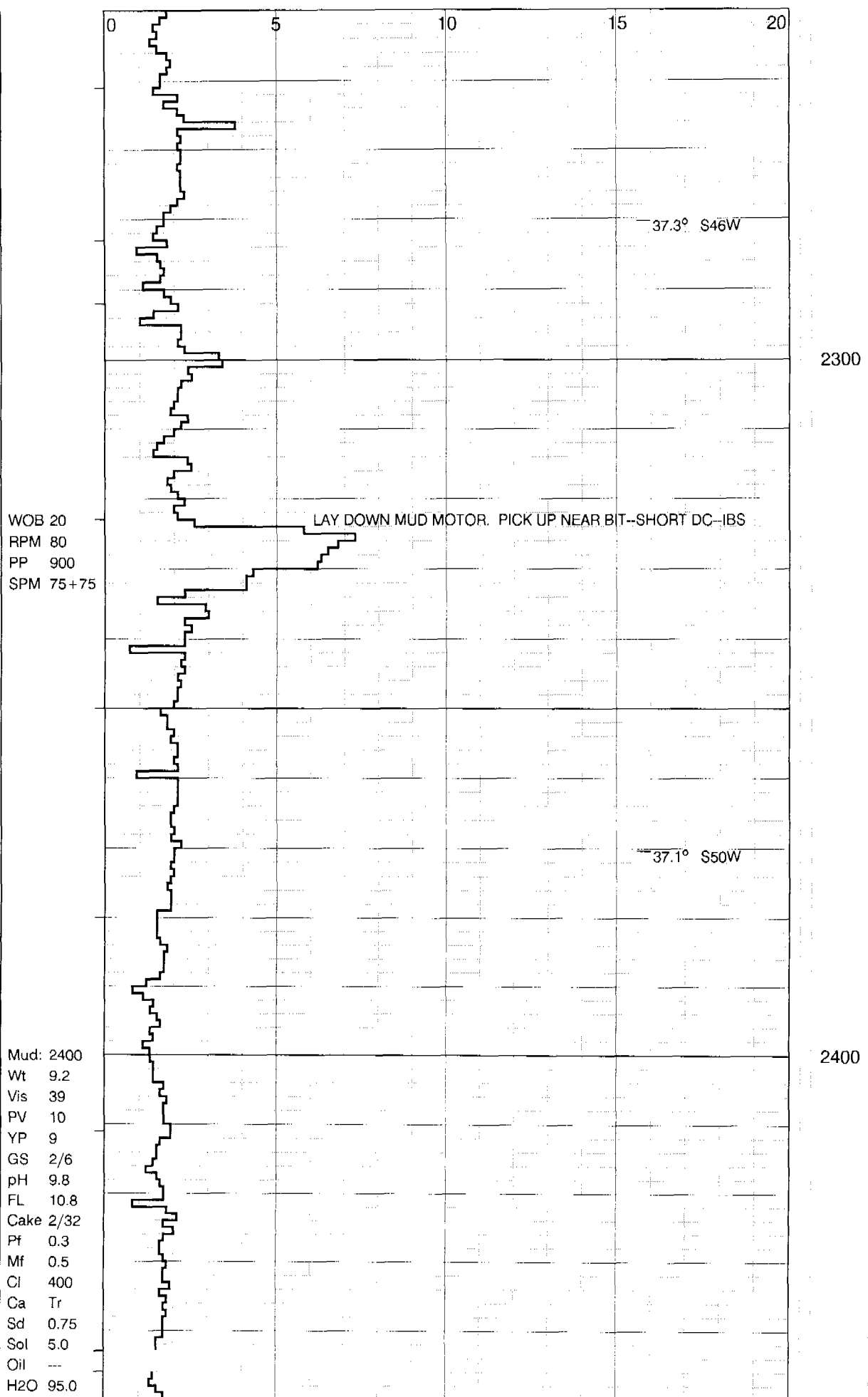
2200

Blue-
gate Sh

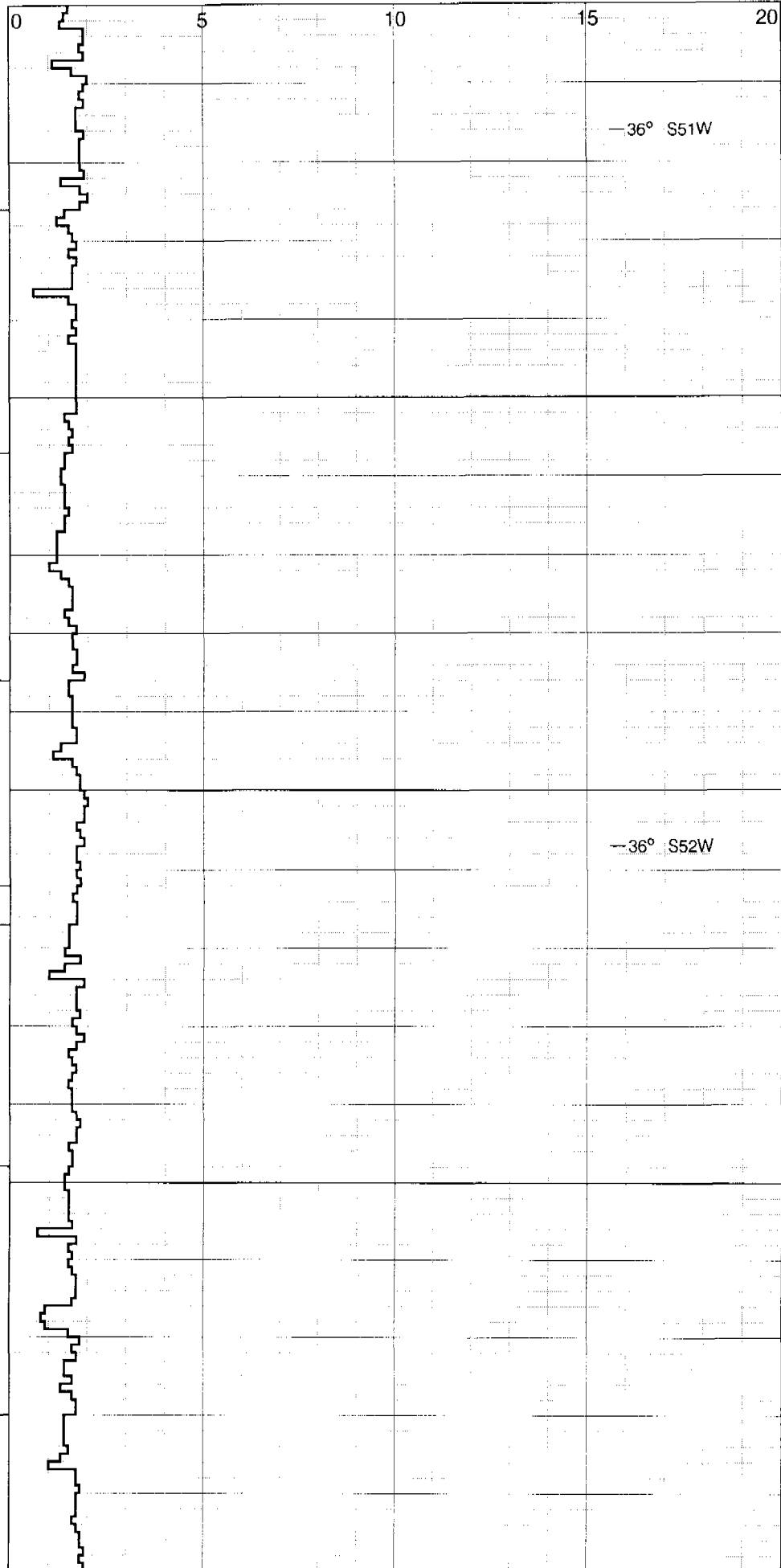
Cake 1/32
Pf 0.2
Mf 0.3
Cl 400
Ca Tr
Sd 1.0
Sol 5.0
Oil ---
H2O 95.0
LCM ---

2100

2200



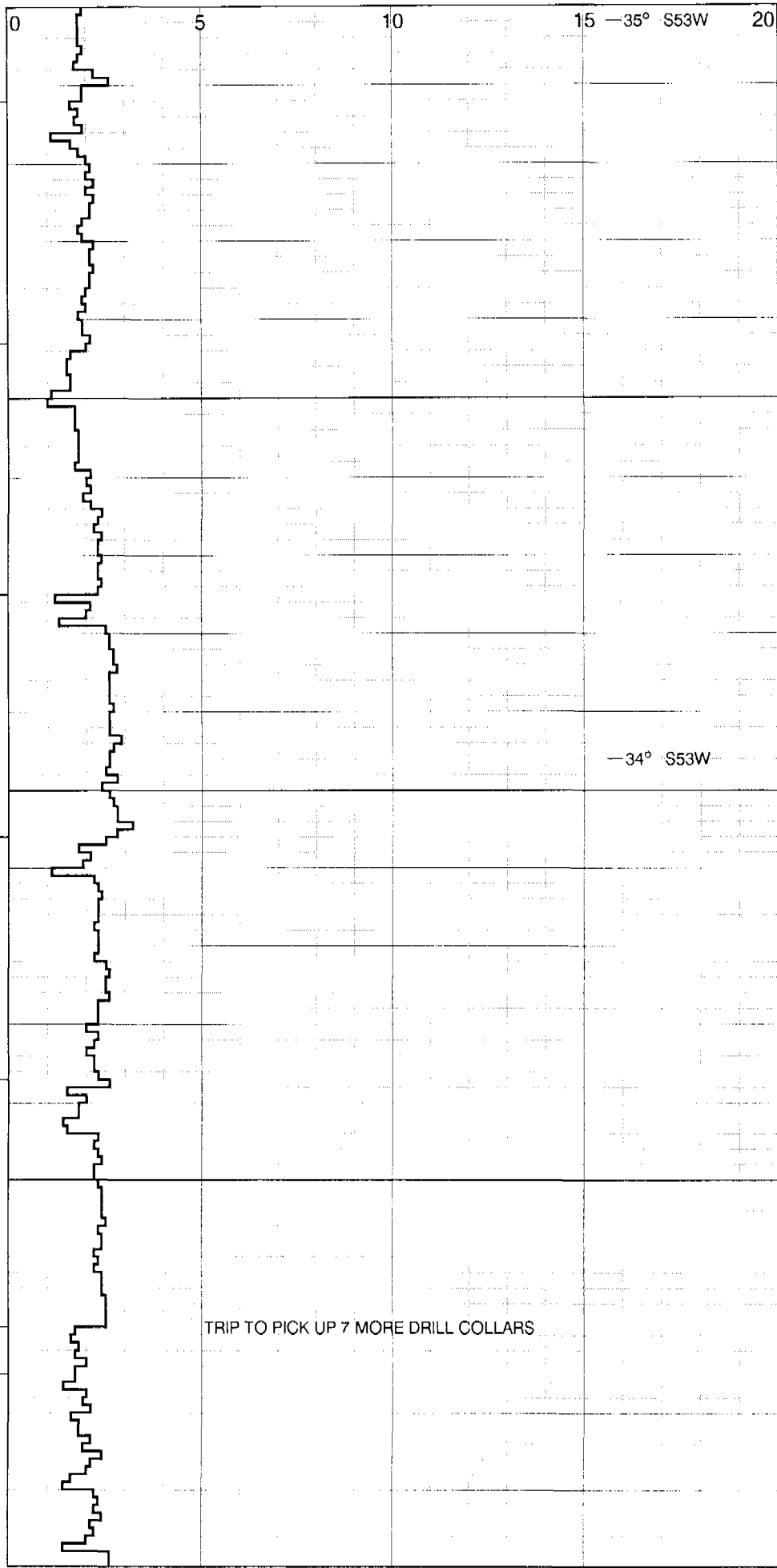
LCM ---



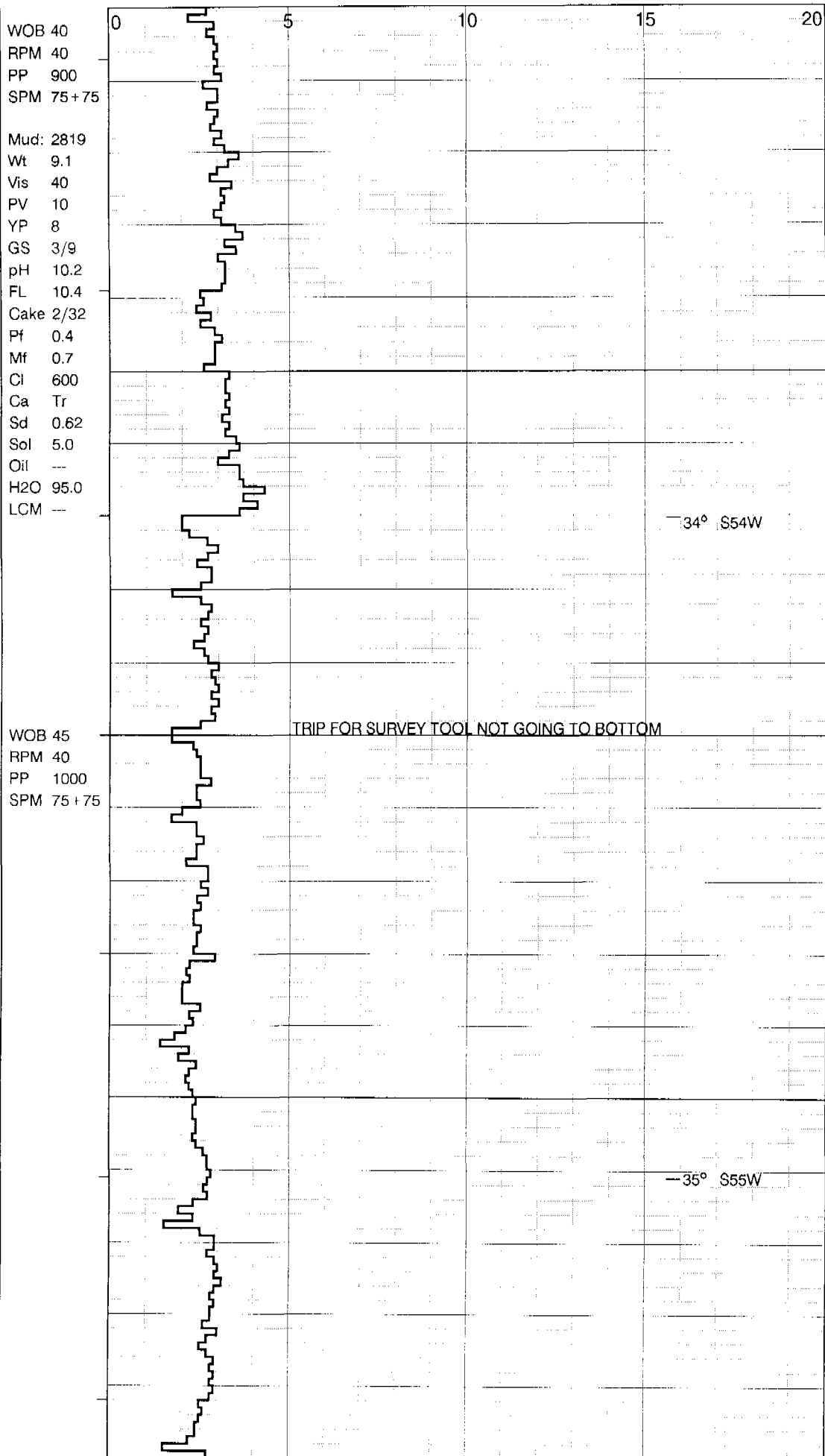
WOB 30
RPM 75
PP 900
SPM 75+75

2500

2600



WOB 34
RPM 60
PP 900
SPM 75+75



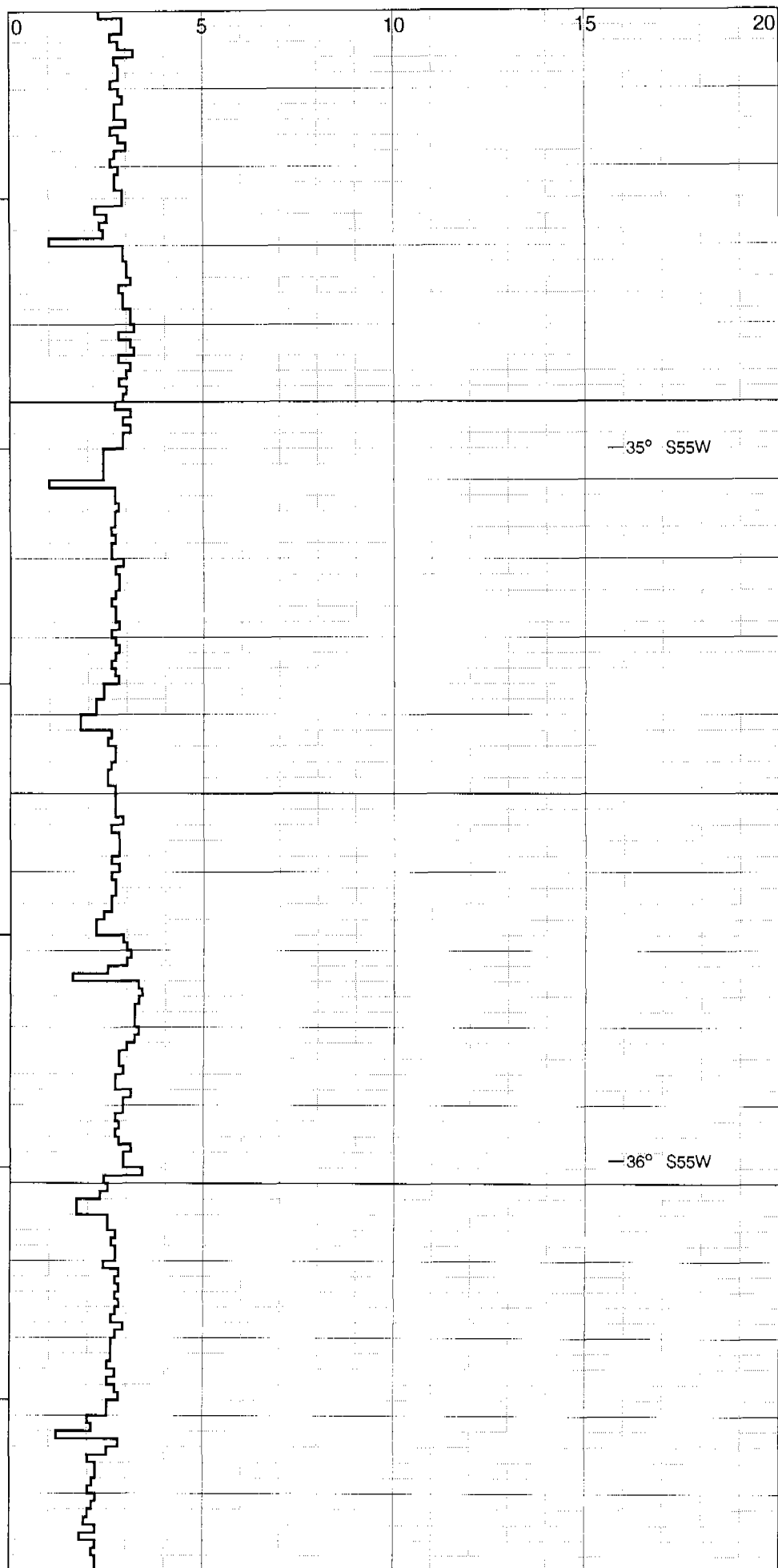
2900

3000

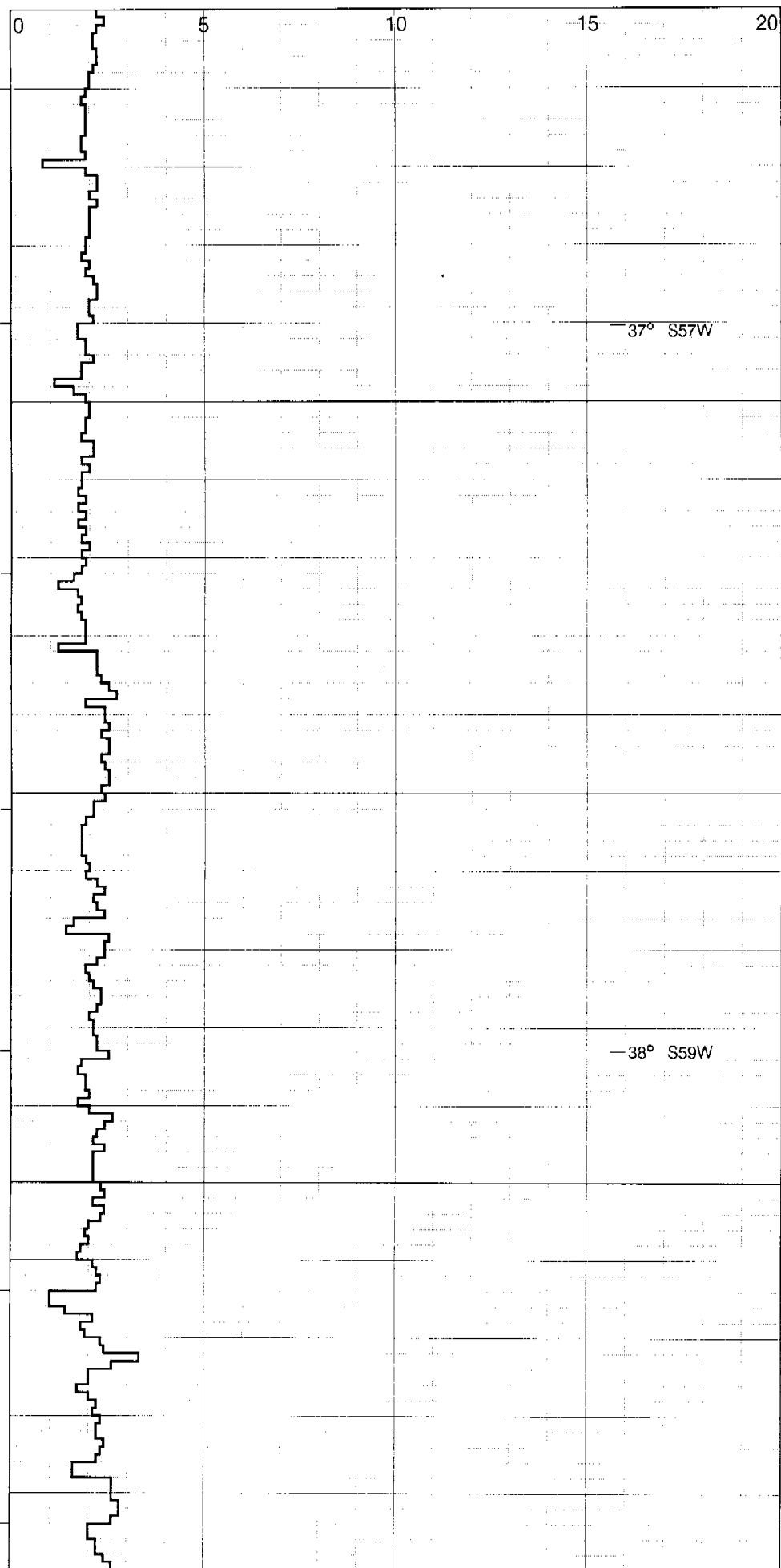
Mud: 3060
Wt 9.1+
Vis 38
PV 10
YP 7
GS 1/4
pH 10.0
FL 10.3
Cake 2/32
Pf 0.2
Mf 0.4
Cl 600
Ca 10
Sd 0.75
Sol 5.0
Oil ---
H2O 95.0
LCM ---

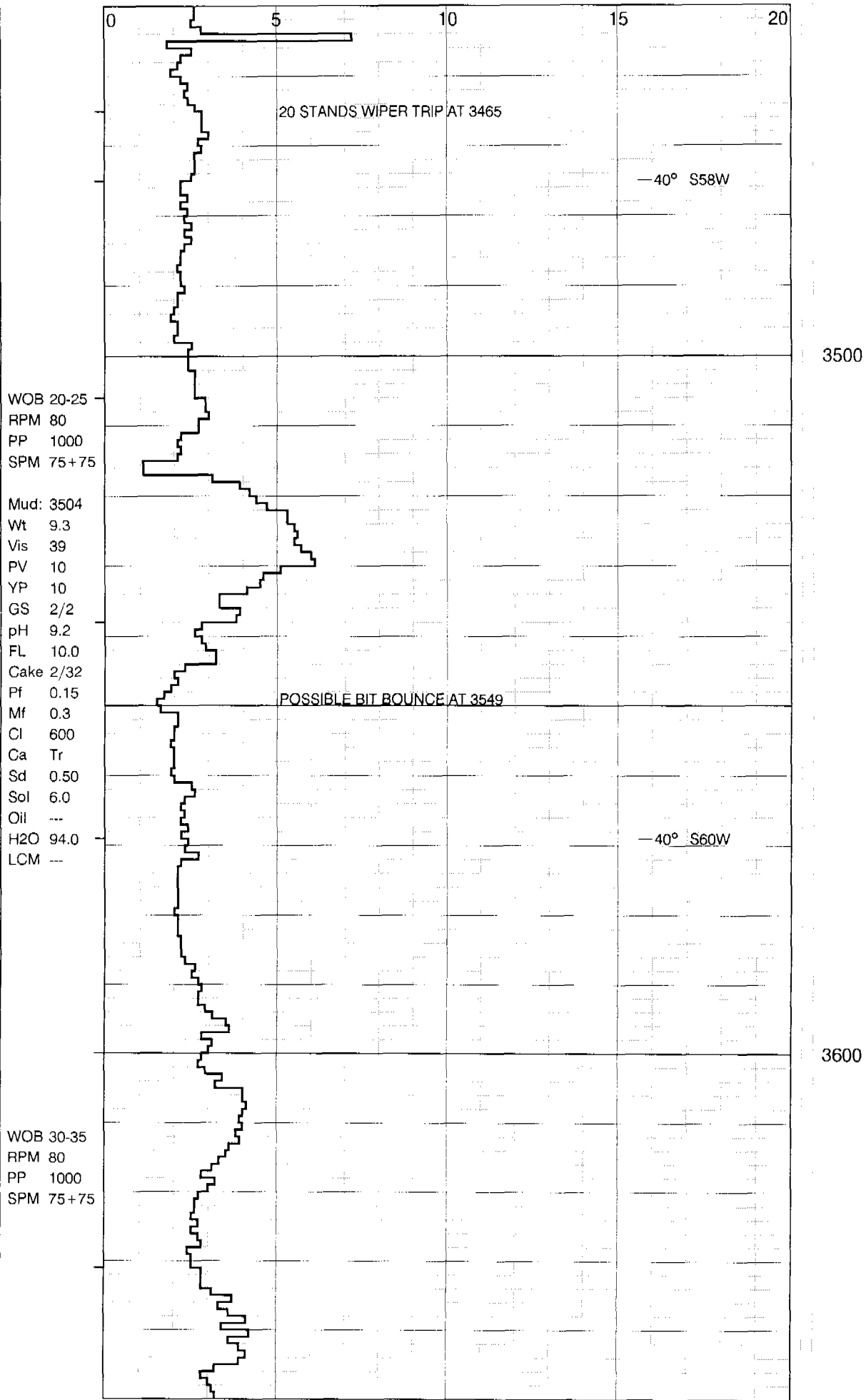
WOB 45
RPM 40
PP 1000
SPM 75+75

WOB 40
RPM 60
PP 1000
SPM 75+75

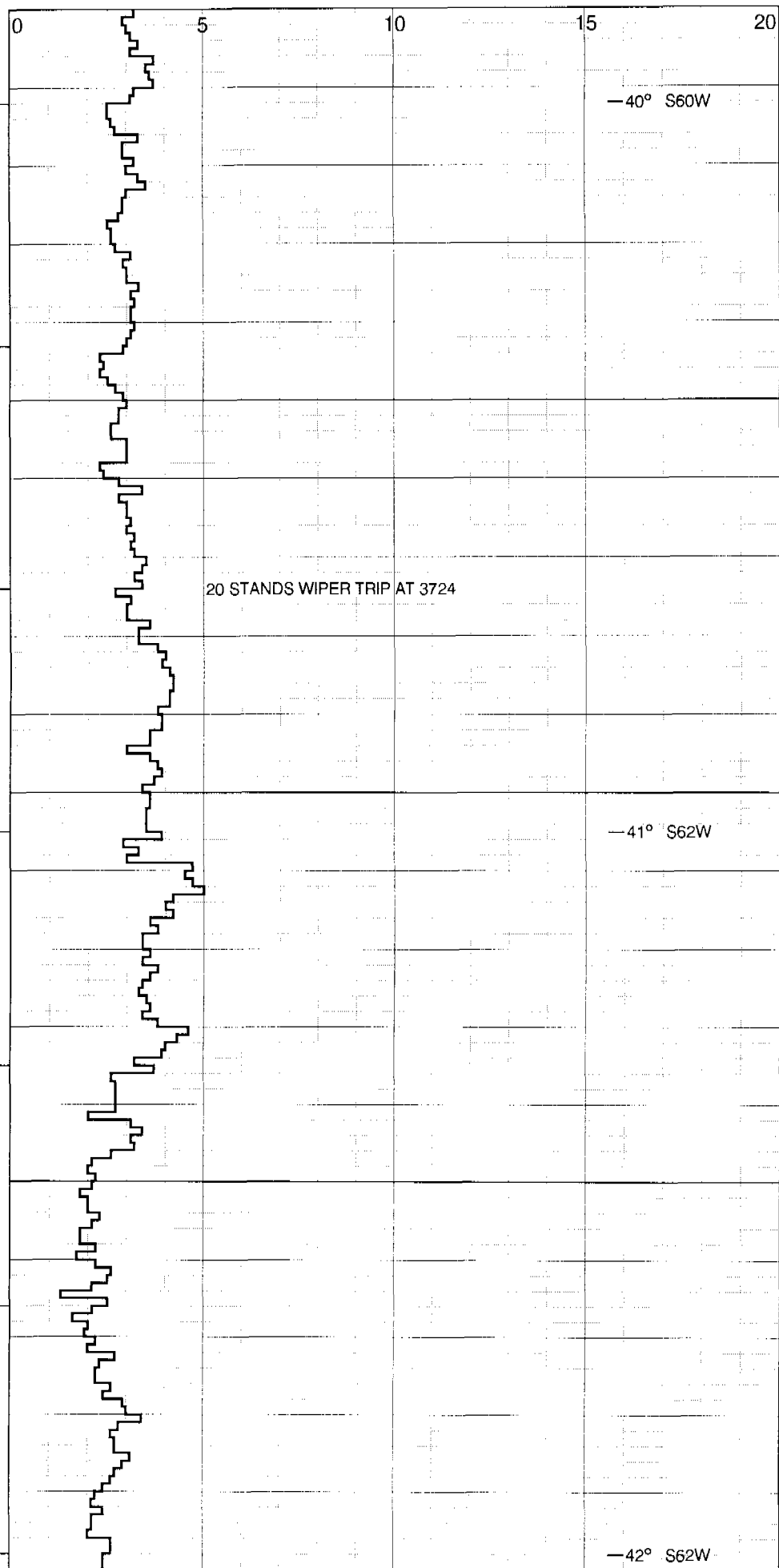


WOB 35
RPM 80
PP 1000
SPM 75+75





WOB 35
RPM 80
PP 1000
SPM 75+75



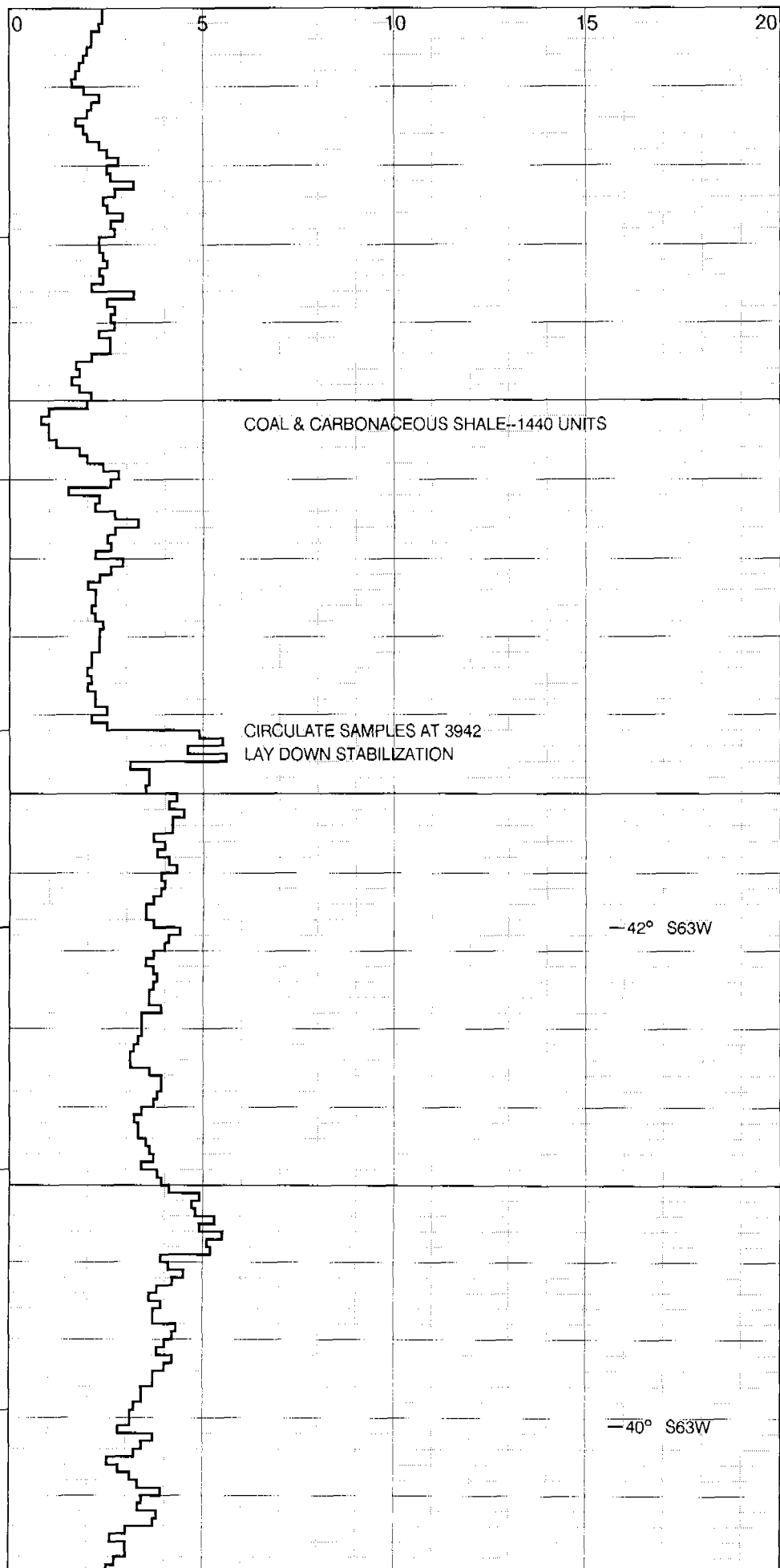
Mud: 3872
Wt 9.2
Vis 40
PV 10
YP 7
GS 1/3
pH 10.0
FL 10.0
Cake 2/32
Pf 0.2
Mf 0.4
CI 700
Ca 10
Sd 0.12
Sol 5.0
Oil ---
H2O 95.0
LCM ---

3910

Ferron
Ss

Bit 6

Smith
F15
WOB 25
RPM 80
PP 1000
SPM 75+75



WOB 35
RPM 80
PP 1000
SPM 75+75

Mud: 4116
Wt 9.1+
Vis 39
PV 7
YP 6
GS 1/3
pH 9.0
FL 10.0
Cake 2/32
Pf 0.1
Mf 0.35
Cl 700
Ca 10
Sd Tr
Sol 5.0
Oil ---
H2O 95.0
LCM ---

WOB 35
RPM 80
PP 1000
SPM 75+75

20 STANDS WIPER TRIP

—38° S64W

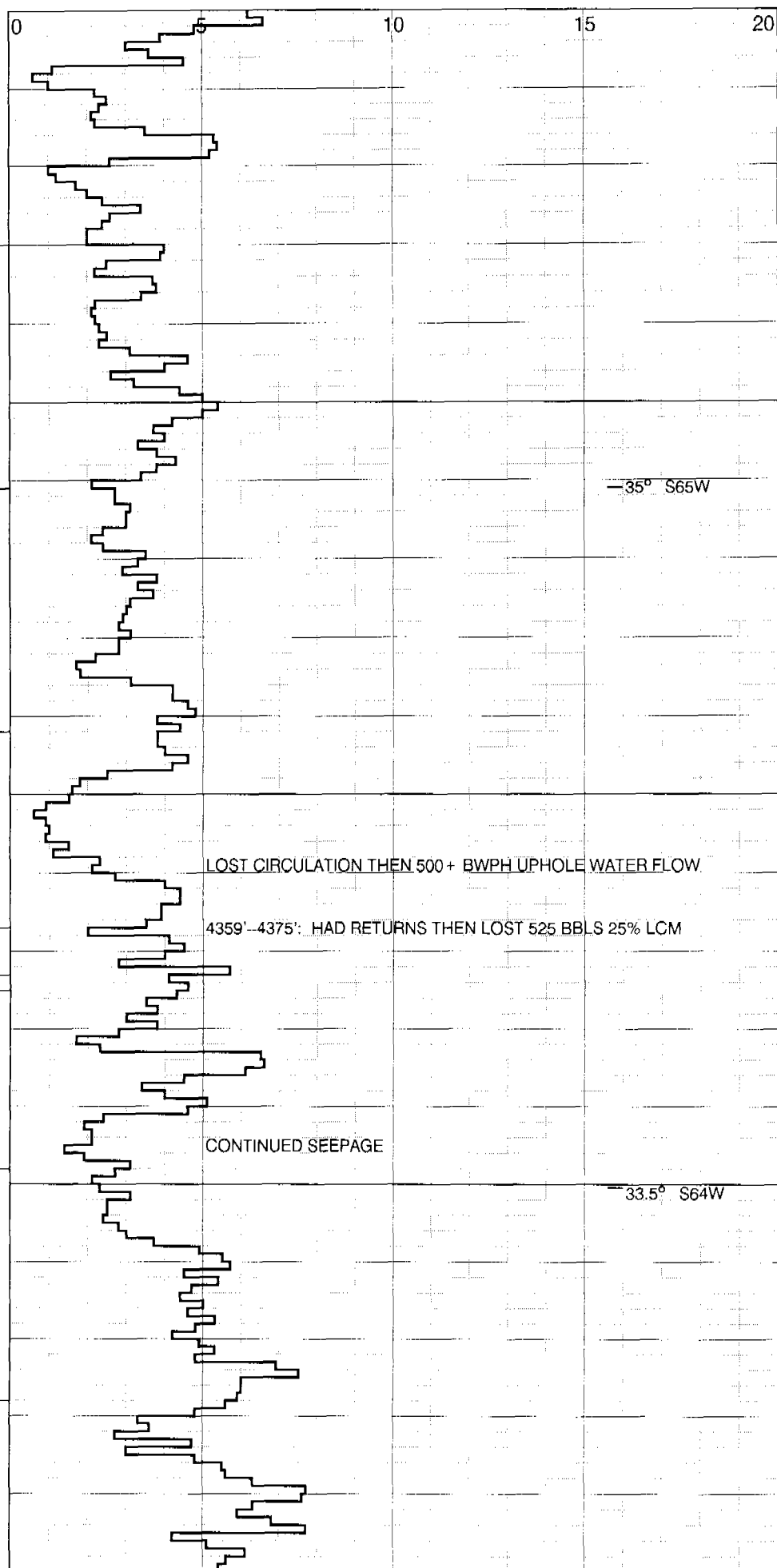
—36° S65W

4100

4200

Mud: 4359
 Wt 9.1
 Vis 55
 PV 10
 YP 8
 GS 2/5
 pH 9.0
 FL 10.8
 Cake 2/32
 Pf 0.1
 Mf 0.4
 CI 600
 Ca 10
 Sd 0.25
 Sol 5.0
 Oil ---
 H2O 95.0
 LCM 15%
 WOB 40
 RPM 75-80
 PP ---
 SPM 100

WOB 40
 RPM 80
 PP ---
 SPM 100



4300

4400

Mud: 4455
 Wt 9.1
 Vis 49
 PV 16
 YP 8
 GS 2/7
 pH 8.5
 FL 14.4
 Cake 2/32
 Pf 0.1
 Mf 0.6
 Cl 700
 Ca 10
 Sd 0.75
 Sol 5.0
 Oil ---
 H2O 95.0
 LCM 15%

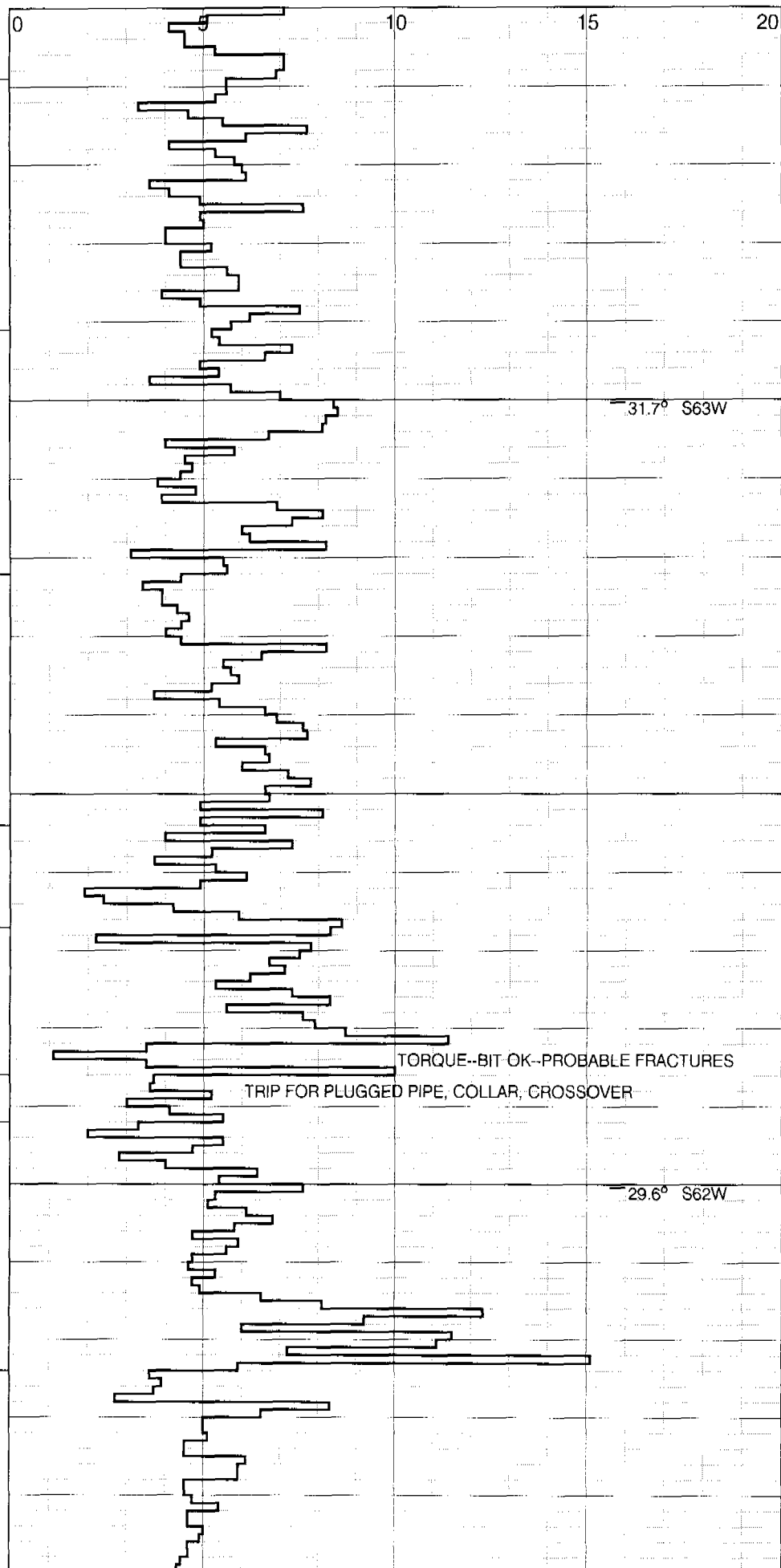
Bit 5 RR

Hughes
 GT18
 WOB 35
 RPM 80
 PP 300
 SPM 120

Mud: 4590
 Wt 9.0
 Vis 55
 PV 14
 YP 9
 GS 2/8
 pH 8.8
 FL 12.0
 Cake 2/32
 Pf 0.05
 Mf 0.7
 Cl 600
 Ca 10
 Sd 0.75

4635

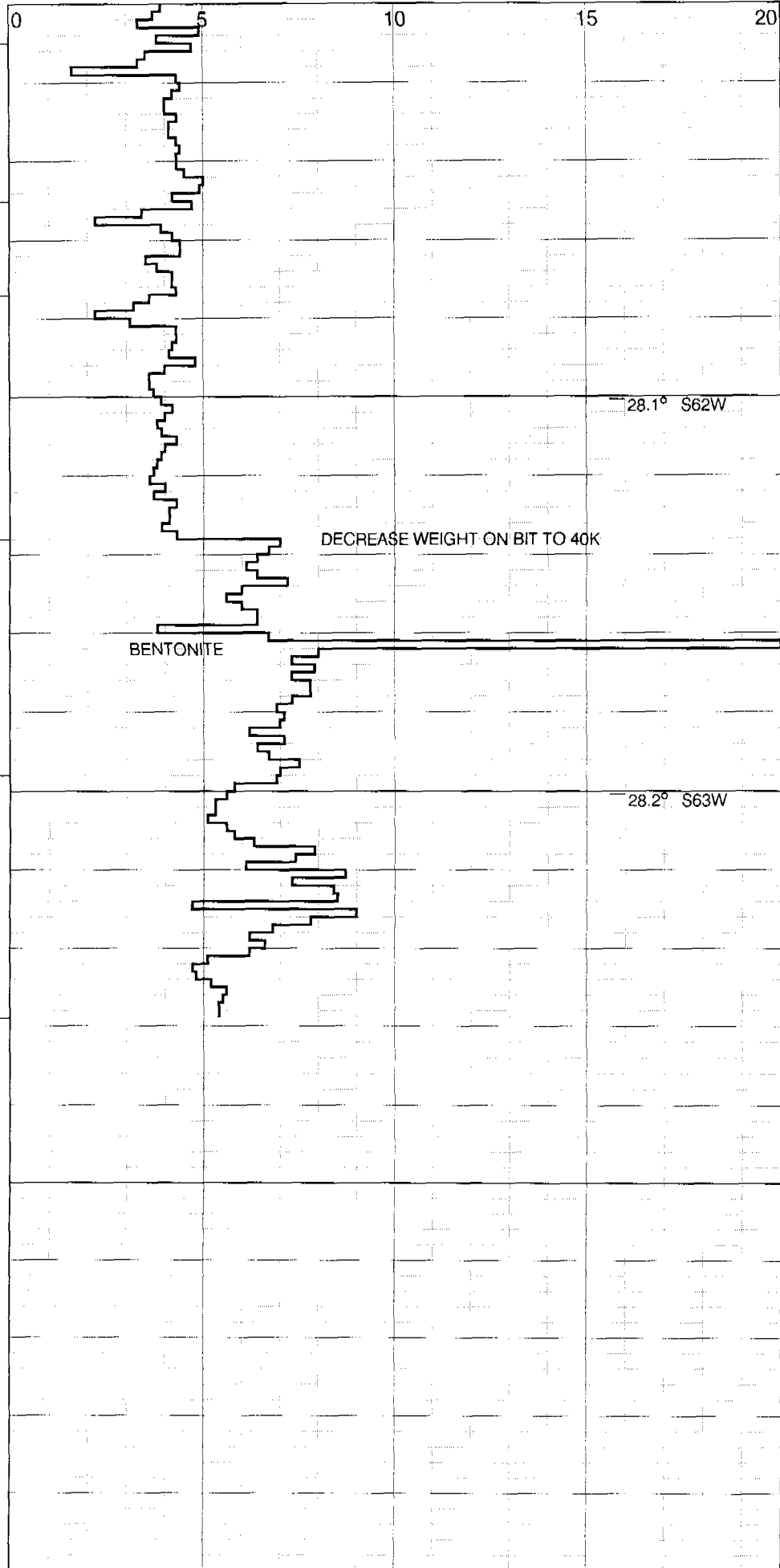
Tununk
 Sh



4500

4600

Sol 4.5
Oil ---
H2O 95.5
LCM 22%



WOB 40
RPM 80
PP 300
SPM 120

4771

Mud: 4768

Log TD

Wt 9.3

Vis 48

PV 22

4779

YP 10

Rig TD

GS 1/5

pH 9.3

FL 8.0

Cake 2/32

Pf 0.2

Mf 0.8

Cl 600

Ca Tr

Sd 0.75

Sol 7.0

Oil ---

H2O 93.0

LCM 18%

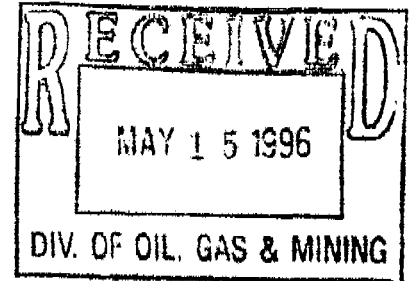
ANSCHUTZ EXPLORATION CORPORATION

555 17th Street, Ste. 2400 • Denver, Colorado 80241

(303)298-1000

May 13, 1996

State of Utah
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Ste. 350
Salt Lake City, Utah 84180-1203



Attn.: Well Records

RE: Oman 2-20
Clear Creek Unit
Carbon County, Utah

Dear Madam/Sir:

Please find the enclosed Well Completion Report and Report of Water Encountered During Drilling for the above referenced well.

Call me if you have questions or need additional information. My Houston telephone number is (713)750-0210.

Sincerely,

Anschutz Exploration Corporation

A handwritten signature in cursive script, appearing to read "James Oursland".

James Oursland
Engineering Mgr.

OPERATOR Anschutz Exploration Corp.

OPERATOR ACCT. NO. N 7746

ADDRESS 555 17th Street, Ste. 2400

Denver, CO 80241


ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B A	99999	11875	4300730289	Oman # 2-20	NW,NE	20	13S	7E	Carbon	12/23/95	
WELL 1 COMMENTS: This well is being drilled within the boundaries of an existing unit, the Clear Creek Unit.											
WELL 2 COMMENTS: <i>Entity added. If well completes as a producer then Anschutz will take over the Clear Creek Unit from Cordillera and this well will be re-assigned to entity 2550 Ferron Sandstone P.A. Anschutz will submit amendment at time of completion if applicable.</i>											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See Instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

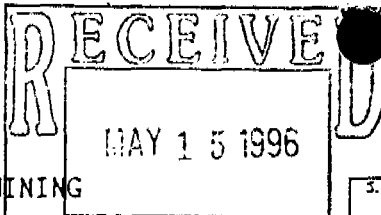
NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

 James Oursland
Signature

Engineering Manager: 1/31/96
Title Date

Phone No. (713) 750-0210

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DAY <input type="checkbox"/> Other _____				5. LEASE DESIGNATION AND SERIAL NO. ML - 1256	
2. NAME OF OPERATOR Anschutz Exploration Corporation				7. UNIT AGREEMENT NAME Clear Creek Unit	
3. ADDRESS OF OPERATOR 555 17th Street, Suite 2400, Denver CO 80241				8. WELL NO. # 2-20	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1167' FNL & 1737' FEL At top prod. interval reported below 2020' FNL & 2858' FEL At total depth 2085' FNL & 4106' FEL				10. FIELD AND POOL, OR WILDCAT Wildcat	
14. API NO. 4300730289				12. COUNTY Carbon	
DATE ISSUED 10/17/95				13. STATE Utah	
15. DATE SPUDDED 12/23/95	16. DATE T.D. REACHED 2/9/96	17. DATE COMPL. (Ready to prod.) 3/11/96 (Plug & Abol)	18. ELEVATIONS (OF. BER. RT. CR. ETC.) 7981 KB	19. ELEV. CASINGHEAD 7963'	
20. TOTAL DEPTH, MD & TVD 4780' MD, 4182' TVD		21. PLUG BACK T.D., MD & TVD 4780' MD, 4182' TVD	22. IF MULTIPLE COMPL. HOW MANY →	23. INTERVALS DRILLED BY →	ROTARY TOOLS X
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) 3904' - 4596' MD, 3462' - 4024' TVD, Ferron Sands Directional Survey Phasor Ind., FDC-CNL-Sonic, FMT					25. WAS DIRECTIONAL SURVEY MADE Yes
26. TYPE ELECTRIC AND OTHER LOGS RUN SPACVIEW POROSITY LITHOLOG HOSTILE GAMMA RAY MUD LOG					
27. WAS WELL CORED YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (Submit corepoints) DRILL STEM TEST YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (See comments side)					
28. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	
20"	94.0	308'	24"	150 sks POZ, 150 sks G	
13 3/8"	54.5	818'	17 1/2"	535 sks POZ, 230 sks G	
5 1/2"	15.5	4780'	8 3/4"	323 sks REC, 821 sks POZ	
29. LINER RECORD					
SIZE	TOP (MD)	BOTTOM (MD)	BACKS CEMENT	SCREEN (MD)	
30. TUBING RECORD					
SIZE	DEPTH SET (MD)	PACKER SET (MD)			
2 7/8"	3851'	3851'			
31. PERFORATION RECORD (Interval, size and number) 3904' - 4596', 4SPF, 1140 shots					
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.					
DEPTH INTERVAL (MD)			AMOUNT AND KIND OF MATERIAL USED		
None					
33. PRODUCTION					
DATE FIRST PRODUCTION None		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)			WELL STATUS (Producing or shut-in) SEID
DATE OF TEST	HOURS TESTED	CHOKER SIZE	PROD. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)					TEST WITNESSED BY
35. LIST OF ATTACHMENTS					
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records					
SIGNED <u>James Oursland</u> TITLE <u>Engineering Mgr.</u> DATE <u>5/13/96</u>					

See Spaces for Additional Data on Reverse Side

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

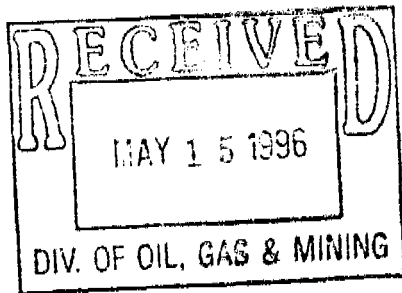
37. SUMMARY OF POROUS ZONES:

Show all important zones of porosity and contents thereof; cored intervals;
and all drill-stem tests, including depth interval tested, cushion used,
time tool open, flowing and shut-in pressures, and recoveries.

Formation	Top	Bottom	Description, contents, etc.	Name	Top	
					Meas. Depth	True Vert. Depth
				Star Point	Surface	Surface
				Blue Gate	2200'	2105'
				Ferron	3904'	3462'
				Tununk	4635'	4056'

38.

GEOLOGIC MARKERS



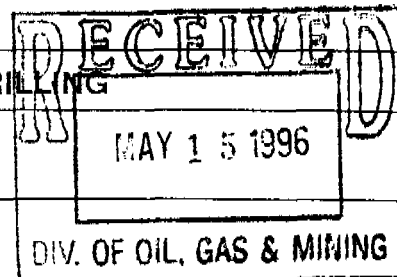
Supplemental Record

**Oman No. 2-20,
Clear Creek Field
Cementing Detail**

Surface Casing	Set @ 308'	Cemented with 150 sks 50/50 POZ/CI G & 150 sks Class G
Intermediate Casing	Set @ 818'	Cemented with 535 sks 50/50 POZ/CI G & 230 sks CI G
Production Casing	Set @ 4780'	1st Stage cemented with 323 sks RFC(CI G) 2nd Stage cemented with 821 sks 50/50 POZ/CI G (Stage Tool @ 1823')

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

REPORT OF WATER ENCOUNTERED DURING DRILLING

1. Well name and number: Oman No. 2-20API number: 43007302892. Well Location: QQ NW, NE Section 20 Township 13S Range 7E County Carbon3. Well operator: Anschutz Exploration CorporationAddress: 555 17th Street, Suite 2400Denver CO 80241Phone: (303) 289-10004. Drilling contractor: Nabors Rig 181Address: 515 West Greens Road, Suite 1000Houston, TX 77067-4525Phone: (713) 874-0035

5. Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
373'	375'	200 BWPH	Fresh
1708'	1720'	70 BWPH	Fresh

6. Formation tops: Star Point SurfaceBlue Gate 2200'Ferron 3910'Tununk 4635'

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

Date: 5/13/96Name & Signature: [Signature] / James OurslandTitle: Engineering Mgr.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

August 21, 2000

CERTIFIED MAIL NO.: Z 350 464 804

Hal B. Koerner, Jr.
Anschutz Exploration Corporation
555 17th Street, Suite 2400
Denver, CO 80202

Re: Non-Compliance of Shut-in Wells in the Clear Creek Field

Dear Mr. Koerner:

In a letter dated February 17, 1999, the Utah Division of Oil, Gas and Mining (the "Division") notified the Anschutz Exploration Corporation ("Anschutz") of non-compliance of eight wells in the Clear Creek Field in Carbon and Emery Counties. In accordance with Oil and Gas Conservation General Rule R 649-3-36, Shut-in and Temporarily Abandoned Wells, this notification requested specific and detailed information regarding why these wells should not be plugged and evidence as to their mechanical integrity. The notification requested a response within 30 days. A response was not received from Anschutz within the requested time frame.

On May 25, 1999 the Division initiated a follow-up telephone conversation with Anschutz. During this conversation, Anschutz indicated to the Division that sundry notices would be forthcoming concerning the wells in question. The Division did not receive the documents following this conversation. Recent conversations with Anschutz have resulted in the August 9, 2000 filing of sundry notices for the subject wells. The submitted sundry notices do not fully address the requirements outlined in our February 17, 1999 compliance notification and are therefore being returned unapproved. Furthermore, since our initial correspondence one additional well, the Oman 2-20, has also remained inactive for longer than five years.

Wells that currently do not meet the requirements of R 649-3-36 include:

Lease Type	Well API #	Well Name	Well Status	Completion Date	Years Inactive
Fee	007-16009	Utah Fuel 1	SI	1951	>16
Fee	007-16010	Utah Fuel 2	SI	1952	>16
Fee	007-16011	Utah Fuel 3	SI	1952	>16
Fee	007-16012	Utah Fuel 4	SI	1952	>16
Fee	007-16013	Utah Fuel 5	SI	1953	>16
Fee	007-16016	Utah Fuel 10	SI	1954	>16
Fee	015-16021	Utah Fuel A1	SI	1955	>16
State	007-30102	Utah Mineral State	SI	1954	>16
State	007-30289	Oman 2-20	SI	1996	>5

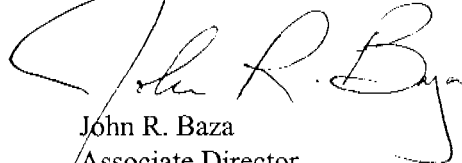
Page Two
Hal B. Koerner, Jr.
August 21, 2000

Therefore, the Division has determined that good cause has not been shown for extended shut-in of the subject wells, and Anschutz should proceed to file appropriate plans for approval by the Division to either recomplete the wells for production or to plug and abandon the wells in accordance with Rule R649-3-24, Plugging and Abandonment of Wells. Such plans should be submitted within 90 days of your receipt of this correspondence.

Recognizing that the wells are located in mountainous terrain and that inclement weather may commence in the area within the next few months, the Division will allow Anschutz a period of one year from the date of this letter to accomplish necessary operations to either produce or plug and abandon the subject wells. If Anschutz has accomplished neither activity by the required date, the Division may file a Notice of Agency Action for adjudication to determine whether Anschutz should be subject to bond forfeiture for failure to properly plug and abandon the subject wells.

I request that you give this matter your immediate attention. If you have any questions, please contact Robert J. Krueger, Petroleum Engineer at (801) 538-5274 or myself at (801) 538-5334.

Sincerely,



John R. Baza
Associate Director

er

Attachments

cc: Robert J. Krueger, Petroleum Engineer
Elaine Zieroth, Forest Supervisor, Manti-La Sal National Forest
Utah School and Institutional Trust Lands Administration
Well files

1.6. Any other information deemed relevant by the applicant or requested by the division.

2. Information derived from well logs, including certain information in completion reports, stratigraphic cross sections, bottomhole pressure data, and other appropriate data provided in R649-3-35-1 will be held confidential in accordance with R649-2-11 at the request of the operator.

3. The division shall review the submitted information and advise the operator and the State Tax Commission of its decision regarding the wildcat well designation as related to Section 59-5-102(2)(d).

4. The division is responsible for approval of a request for designation of a well as a wildcat well. If the operator disagrees with the decision of the division, the decision maybe appealed to the board. Appeals of all other tax-related decisions concerning wildcat wells should be made to the State Tax Commission.

R649-3-36. Shut-in and Temporarily Abandoned Wells.

1. Wells may be initially shut-in or temporarily abandoned for a period of twelve (12) consecutive months. If a well is to be shut-in or temporarily abandoned for a period exceeding twelve (12) consecutive months, the operator shall file a Sundry Notice providing the following information:

1.1. Reasons for shut-in or temporarily abandonment of the well,

1.2. The length of time the well is expected to be shut-in or temporarily abandoned, and

1.3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment.

2. After review the Division will either approve the continued shut-in or temporarily abandoned status or require remedial action to be taken to establish and maintain the well's integrity.

3. After five (5) years of nonactivity or nonproductivity, the well shall be plugged in accordance with R649-3-24, unless approval for extended shut-in time is given by the Division upon a showing of good cause by the operator.

4. If after a five (5) year period the well is ordered plugged by the Division, and the operator does not comply, the operator shall forfeit the drilling and reclamation bond and the well shall be properly plugged and abandoned under the direction of the Division.

R649-3-37. Enhanced Recovery Project Certification.

1. In order for incremental production achieved from an enhanced recovery project to qualify for the severance tax rate reduction provided under U.C.A. 59-5-102 (4), the operator on

LAW OFFICES OF
VAN COTT, BAGLEY, CORNWALL & McCARTHY

A PROFESSIONAL CORPORATION
ESTABLISHED 1874

50 SOUTH MAIN STREET, SUITE 1600
POST OFFICE BOX 45340
SALT LAKE CITY, UTAH 84145-0340
TELEPHONE (801) 532-3333
FACSIMILE (801) 534-0058

BENNETT, HARKNESS & KIRKPATRICK
1874-1890
BENNETT, MARSHALL & BRADLEY
1890-1896
BENNETT, HARKNESS, HOWAT
SUTHERLAND & VAN COTT
1896-1902
SUTHERLAND, VAN COTT & ALLISON
1902-1907
VAN COTT, ALLISON & RITER
1907-1917
VAN COTT, RITER & FARNSWORTH
1917-1947

SUITE 900
2404 WASHINGTON BOULEVARD
OGDEN, UTAH 84401
(801) 394-5783
FACSIMILE (801) 627-2522

BUILDING C, SUITE 200-A
2200 PARK AVENUE
PARK CITY, UTAH 84060
(435) 649-3889
FACSIMILE (435) 649-3373

(801) 237-0352

January 19, 2001

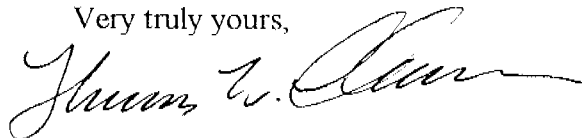
Mr. Jim Thompson
UTAH DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Ste. 1210
Salt Lake City, Utah 84114-5801

Re: *Edward Mike Davis*
Registration with Utah Department of Commerce

Dear Jim

We represent Edward Mike Davis with respect to certain oil and gas properties associated with the Clear Creek Unit located in Carbon and Emery Counties. Steve Chamberlain asked me to contact you regarding the Utah Department of Commerce's rejection of Mr. Davis's Business Name Registration Application. For your convenience, I have enclosed copies of the documents that we filed with the Department of Commerce on Mr. Davis's behalf. As you can see, the Department is of the view that, since Mr. Davis will be operating under his own name, he does not need to register with the state. We were informed by the Department that Mr. Davis can do business in the state under his social security number. If you have any questions or need further information, please do not hesitate to contact me.

Very truly yours,



Thomas W. Clawson

Enclosures

cc: Steve Chamberlain (via fax (713) 629-4364, w/encl.)

CLAWSON
1-19-01
CLAWSON



Documents and Services Return Notice

We apologize for having to return your document or request for service for the reason(s) indicated below:
Please make the necessary correction(s) and return your document. You will have thirty (30) days to re-submit this Return Notice. If this is not received within the prescribed time a new processing fee will be due.

☐ **Fee Payment:**

- ☐ The required document or service fee is \$_____. Please send \$_____ payable to the State of Utah.
- ☐ Your paperwork was not returned within the time prescribed, thirty (30) days, a new processing fee is due.

☒ **Business Name Conflict:**

- ☐ The name is not available in Utah (see transcript of conflict enclosed).
- ☒ The name is the same as owner/applicant.
- ☐ The requested business name is the same as your qualified entity.

☐ **Registered Agent:**

- ☐ Require name of Registered Agent.
- ☐ Require Utah street address for Registered Agent.
- ☐ Address of Registered Agent and Registered Office must be the same.

☐ **Required Signatures From:**

- ☐ Registered agent.
- ☐ General Partner(s).
- ☐ Incorporators.
- ☐ Applicant/Owner.
- ☐ Member/Manager.

☐ **Articles/Application Require:**

- ☐ Business Purpose.
- ☐ Street address for principal office.
- ☐ Duration.
- ☐ Names and addresses of :
 - ☐ Three (3) Trustees
 - ☐ Managers.
 - ☐ Members.
- ☐ The company listed as the owner must be qualified in Utah.

☐ **Foreign (Non-Utah) Application:**

- ☐ Must provide a certificate of existence from home state. Certificates older than 90 days will not be accepted.
- ☐ Must register under the same name in Utah as in the home state.
- ☐ Registration date on application doesn't match the date of incorporation on the existence.

☐ **Other:** If you are doing business and under your own name, does not need to be registered with the State.

STATE OF UTAH
DIVISION OF CORPORATIONS AND
COMMERCIAL CODE
In person: 160 East 300 South, Main Floor
Mail: 160 East 300 South, 2nd Floor, Box 146705
Salt Lake City, Utah 84114-6705
Service Center: (801)530-4849
Fax: (801)530-6111
Web Site: <http://www.commerce.state.ut.us>





Business Name Registration / DBA Application

The filing of this application and its approval by the Division of Corporations and Commercial Code does not authorize the use in the State of Utah of an assumed name in violation of the rights of another under federal, state, or common law (U.C.A. Section 42-2-5 Et seq.). You may file this paperwork in person or mail or fax to the Division of Corporations (Please file in duplicate). If mailing, please include one (1) self addressed envelope with application. If you are faxing you must include, on a cover sheet, the number of a VISA/MasterCard with the date of expiration. Other means of payment are check or cash. If hand written, must be legible.

•When approved, your business name is registered for 3 years (U.C.A. 42-2-8) •

Do not use this form for changes other than Applicant/Owner change

Do not use this form if this business will need a new state tax registration

If you want a new name, (adding or changing the existing name) a new DBA filing is required.

BUSINESS INFORMATION

1. Requested Business Name: Edward Mike Davis
2. Purpose of the Business: Oil, Gas and Minerals; Exploration and Production
3. Business address: 5177 Richmond Avenue, Suite 740, Houston Texas 77056

Street address
City
State
Zip

4. REGISTERED AGENT (Required Information):

- 4a. Thomas W. Clawson
Print the Registered Agent Name
- 4b. [Signature] (801) 532-3333
Signature of Accepting Agent Daytime Phone Number
- 4d. 50 South Main, Suite 1600 Salt Lake City, UTAH 84144
Street Address ONLY City State Zip

INFORMATION ABOUT YOU, THE APPLICANT / OWNER:

- I. If the applicant/owner is a business, the business entity must be in good standing and incorporated, or be registered or qualified in the state of Utah.
- II. When changing applicant(s) / owner(s) a letter of transfer must be attached.

5. APPLICANT/OWNER INFORMATION:

Is the applicant/owner a registered business in the state of Utah? ☐ Yes ☒ No

- ☐ Check this box if the name of the registered agent listed above is also the applicant/owner. If box is not checked please complete 5a through 6b.

- 5a. Edward Mike Davis
Print Person or Business Name
- 5b. [Signature] Owner
Signature and Title of Applicant/Owner
- 5c. 5177 Richmond Avenue, Suite 740, Houston Texas 77056
Address City State Zip
- 6a. _____
Print Person or Business Name
- 6b. _____
Signature and Title of Applicant/Owner
- 6c. _____
Address City State Zip

IF NEEDED, YOU MAY USE AN ATTACHED SHEET FOR ADDITIONAL APPLICANTS.

Mail In: 160 East 300 South, 2nd Fl, Box 146705
Salt Lake City, UT 84114-6705
Walk In: 160 East 300 South, Main Floor
Corporation's Information Center: (801)530-4849
Toll Free: (877)526-3994 (Utah Residents)
Fax: (801)530-6111
Web Site: <http://www.commerce.state.ut.us>



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

RECEIVED

JAN 26 2001

DIVISION OF
OIL, GAS AND MINING

IN REPLY REFER TO
UT-931

January 25, 2001

Edward Mike Davis
5177 Richmond Avenue, Suite 740
Houston, Texas 77056

Re: Clear Creek Unit
Carbon and Emery Counties, Utah

Gentlemen:

On January 17, 2001, we received an indenture dated December 31, 2000 whereby Anschutz Exploration Corporation resigned as Unit Operator and Edward Mike Davis was designated as Successor Unit Operator for the Clear Creek Unit, Carbon and Emery Counties, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective January 25, 2001. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Clear Creek Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1205 will be used to cover all operations within the Clear Creek Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-932
File - Clear Creek Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT931:TAThompson:tt:1/25/01

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Clear Creek

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

Clear Creek

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

Edward Mike Davis

3. ADDRESS OF OPERATOR:

5177 Richmond Avenue, Suite
740, Houston, TX 77056

PHONE NUMBER:

(713) 629-9550

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: Transfer of wells

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Effective December 31, 2000, Anschutz Exploration Corporation has resigned as Unit Operator and Edward Mike Davis is now designated as the successor Operator of the Clear Creek Unit covering Lands and Leases situated in Carbon and Emery Counties, Utah.

Attached to this Sundry Notice is a Schedule of Wells in the Clear Creek Unit area which are being transferred to Edward Mike Davis.

ANSCHUTZ EXPLORATION CORPORATION

By:

Todd R. Kalstrom
Land Manager

RECEIVED

JAN 29 2001

Execution Date: January 25, 2001

DIVISION OF
OIL, GAS AND MINING

NAME (PLEASE PRINT)

Steve Chamberlain

TITLE

Agent for Edward Mike Davis

SIGNATURE

Steve Chamberlain

DATE

January 26, 2001

(This space for State use only)

EXHIBIT "A"

SCHEDULE OF WELLS

<u>Well No.</u>	<u>Description</u>	<u>API No.</u>	<u>County</u>	<u>Lease Type</u>
Utah Fuel #A-1	<u>Township 14 South, Range 7E</u> Section 6: SW/4 SW/4	43-015-16021	Emery	Fee
Utah Fuel #1	<u>Township 14 South, Range 7E</u> Section 5: SE/4 SW/4	43-007-16009	Carbon	Fee
Utah Fuel #2	<u>Township 13 South, Range 7E</u> Section 32: SW/4 SW/4	43-007-16010	Carbon	Fee
Utah Fuel #3	<u>Township 13 South, Range 7E</u> Section 32: NW/4 SE/4	43-007-16011	Carbon	Fee
Utah Fuel #4	<u>Township 13 South, Range 7E</u> Section 30: SW/4 SW/4	43-007-16012	Carbon	Fee
Utah Fuel #5	<u>Township 13 South, Range 7E</u> Section 31: SW/4 SW/4	43-007-16013	Carbon	Fee
Utah Fuel #8	<u>Township 13 South, Range 7E</u> Section 19: NE/4 NW/4	43-007-16015	Carbon	Fee
Utah Fuel #10	<u>Township 14 South, Range 7E</u> Section 5: NW/4 NE/4	43-007-16016	Carbon	Fee
Utah State Mineral #1	<u>Township 13 South, Range 7E</u> Section 29: SW/4 NW/4	43-007-30102	Carbon	State
H. E. Walton #1	<u>Township 14 South, Range 7E</u> Section 17: NW/4 NE/4	43-007-11179	Carbon	Federal
Oman #2-20	<u>Township 13 South, Range 7E</u> Section 20: NW/4 NE/4	43-007-30289	Carbon	State

RECEIVED

JAN 29 2001

DIVISION OF
OIL, GAS AND MINING

Results of query for MMS Account Number 891003512A

API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Range	Section	Quarter/Quarter	Field Name	Product Zone
4300716009	ANSCHUTZ EXPLORATION CORP	1 UTAH FUEL	GSI	FEE	891003512A	14S	7E	5	SESW	CLEAR CREEK	FERRON SANDST
4300716010	ANSCHUTZ EXPLORATION CORP	2 UTAH FUEL	GSI	FEE	891003512A	13S	7E	32	SWSW	CLEAR CREEK	FERRON SANDST
4300716011	ANSCHUTZ EXPLORATION CORP	3 UTAH STATE	GSI	FEE	891003512A	13S	7E	32	NWSE	CLEAR CREEK	FERRON SANDST
4300716012	ANSCHUTZ EXPLORATION CORP	4 UTAH FUEL	GSI	FEE	891003512A	13S	7E	30	SWSW	CLEAR CREEK	FERRON SANDST
4300716013	ANSCHUTZ EXPLORATION CORP	5 UTAH STATE	GSI	FEE	891003512A	13S	7E	31	SWSW	CLEAR CREEK	FERRON SANDST
4300716014	ANSCHUTZ EXPLORATION CORP	7 UTAH FUEL	ABD	FEE	891003512A	13S	7E	17	SESW	CLEAR CREEK	FERRON SANDST
4300716015	ANSCHUTZ EXPLORATION CORP	8 UTAH FUEL	PGW	FEE	891003512A	13S	7E	19	NENW	CLEAR CREEK	FERRON SANDST
4300716016	ANSCHUTZ EXPLORATION CORP	10 UTAH FUEL	GSI	FEE	891003512A	14S	7E	5	NWNE	CLEAR CREEK	FERRON SANDST
4300716017	ANSCHUTZ EXPLORATION CORP	1 HELEN E WALTON	PGW	UTU02354	891003512A	14S	7E	17	NWNE	CLEAR CREEK	FERRON SANDST
4300730102	ANSCHUTZ EXPLORATION CORP	1 UTAH STATE	GSI	FEE	891003512A	13S	7E	29	SWNW	CLEAR CREEK	FERRON SANDST

4300730289	ANSCHUTZ EXPLORATION CORP	2-20	GSI	STATE	891003512A	13S	7E	20	NWNE	CLEAR CREEK	FERRON SANDST
4301510306	ANSCHUTZ EXPLORATION CORP	1-A C K STEINER	P+A	FEE	891003512A	15S	7E	5	NESW	CLEAR CREEK	FERRON SANDST
4301511217	ANSCHUTZ EXPLORATION CORP	1 T F KEARNS JR A	ABD	UTU01481	891003512A	14S	7E	32	NWSW	CLEAR CREEK	FERRON SANDST
4301516018	ANSCHUTZ EXPLORATION CORP	16 CLEAR CREEK UNIT	ABD	UTU02353	891003512A	14S	7E	29	NESW	CLEAR CREEK	FERRON SANDST
4301516021	ANSCHUTZ EXPLORATION CORP	1-A UTAH FUEL	GSI	FEE	891003512A	14S	7E	6	SWSW	CLEAR CREEK	FERRON SANDST
4301516023	ANSCHUTZ EXPLORATION CORP	3-A H E WALTON	ABD	UTU02353	891003512A	14S	7E	30	NESW	CLEAR CREEK	FERRON SANDST
4301516024	ANSCHUTZ EXPLORATION CORP	1-X PAUL WATSON	ABD	UTU01740	891003512A	14S	7E	19	SESW	CLEAR CREEK	FERRON SANDST
4301530053	ANSCHUTZ EXPLORATION CORP	17 CLEAR CREEK UNIT	ABD	UTU02353	891003512A	14S	7E	20	SWNE	CLEAR CREEK	

DISCLAIMER for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH		4-KAS	✓
2. CDW	✓	5-SP	✓
3. JLT		6-FILE	

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

The operator of the well(s) listed below has changed, effective: **12-31-2000**

FROM: (Old Operator):
ANSCHUTZ EXPLORATION CORPORATION
Address: 555 17TH STREET STE 2400
DENVER, CO 80202
Phone: 1-(303)-298-1000
Account No. N7940

CA No.

TO: (New Operator):
EDWARD MIKE DAVIS
Address: 5177 RICHMOND AVE STE 740
HOUSTON, TX 77056
Phone: 1-(713)-629-9550
Account No. N1545

Unit: CLEAR CREEK

WELL(S)

NAME	API NO.	ENTITY NO.	SEC. TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
UTAH FUEL 8	43-007-16015	2550	19-13S-07E	FEE	GW	P
OMEN 2-20	43-007-30289	11875	20-13S-07E	STATE	GW	S
UTAH MINERAL STATE	43-007-30102	2550	29-13S-07E	STATE	GW	S
UTAH FUEL 4	43-007-16012	2550	30-13S-07E	FEE	GW	S
UTAH FUEL 5	43-007-16013	2550	31-13S-07E	FEE	GW	S
UTAH FUEL 2	43-007-16010	2550	32-13S-07E	FEE	GW	S
UTAH FUEL 3	43-007-16011	2550	32-13S-07E	FEE	GW	S
UTAH FUEL 1	43-007-16009	2550	05-14S-07E	FEE	GW	S
UTAH FUEL 10	43-007-16016	2550	05-14S-07E	FEE	GW	S
H E WALTON 1	43-007-16017	2550	17-14S-07E	FEDERAL	GW	S
UTAH FUEL 1-A	43-015-16021	2550	06-14S-07E	FEE	GW	S

OPERATOR CHANGES DOCUMENTATION

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 01/22/2001
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 01/29/2001
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 01/31/2001
- Is the new operator registered in the State of Utah: YES Business Number: SSN
- If **NO**, the operator was contacted on: N/A
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: N/A

7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 01/25/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A
9. **Underground Injection Control ("UIC") Prog:** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 01/31/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 01/31/2001
3. Bond information entered in RBDMS on: 01/31/2001
4. Fee wells attached to bond in RBDMS on: 01/31/2001

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: RLB 0002757

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed has furnished a bond No: RLB 0002728
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 01/31/2001

FILMING:

1. All attachments to this form have been **MICROFILMED** on: 2-21-01

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filed in each well file on: _____

COMMENTS:

EDWARD MIKE DAVIS

5177 Richmond Avenue
Suite 740
Houston, Texas 77056

TEL.: (713) 629-9550 • FAX: (713) 629-4364

February 9, 2001

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

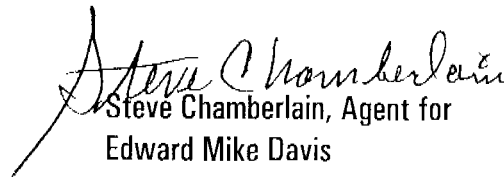
RE: Clear Creek Gas Field and Unit
Carbon and Emery Counties, Utah

Gentlemen:

Submitted herewith are Sundry Notices and Reports on Wells, Form 9, covering (1) the Oman #2-20 well located in the NW/4 NE/4, Section 20, Township 13 South, Range 7 East, and (2) the Utah Fuel #8 well situated in the NE/4 NW/4, Section 19, Township 13 South, Range 7 East. Both wells are located in Carbon County, Utah, and each respective Form 9 describes the proposed operations to be conducted thereon, by Edward Mike Davis, Operator.

Please review and respond with your approval as soon as possible, since we are in the process of securing a work-over rig.

Very truly yours,


Steve Chamberlain, Agent for
Edward Mike Davis

SC:ct

Encls.

RECEIVED

FEB 12 2001

DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
Edward Mike Davis

3. ADDRESS OF OPERATOR: 5177 Richmond Ave.
Suite 740, Houston, TX 77056

PHONE NUMBER:
(713) 629-9550

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 1167' South of North Line and 1737' West of East Line

COUNTY: Carbon

5. QUOTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NW/4 NE/4, Section 20, Township 13 South, Range 7 East

STATE: UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>2-20-2001</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDE TRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Plan of Operations</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Plans are to re-enter Anschutz #2-20 Oman Well and stimulate selected zones.

NAME (PLEASE PRINT) Steve Chamberlain TITLE Agent
SIGNATURE Steve Chamberlain DATE February 8, 2001

(This space for State use only)

Denied

John R. Beyer
2/21/01

FAX MEMORANDUM

EDWARD MIKE DAVIS

5177 Richmond Avenue

Suite 740

Houston, Texas 77056

TEL.: (713) 629-9550 • FAX: (713) 629-4364

DATE: February 14, 2001

TO: AL McKee / Utah Division of Oil, Gas and Mining
Clearcreek Unit

RE: OMN 2-20 and Utah Fuel #8 well Carbon County, Utah

FAX NUMBER: (801) 359-3940

NO. OF PAGES: 2
(INCLUDING COVER)

Dear Mr. McKee -

We are faxing our letter dated 2-14-2001 in
connection with our summary notices - Form 9 previously
submitted to your office regarding the above wells

Steve Chamberlain, Agent for
Edward Mike Davis

EDWARD MIKE DAVIS

5177 Richmond Avenue
Suite 740

Houston, Texas 77056

TEL.: (713) 629-9550 • FAX: (713) 629-4364

February 14, 2001

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

ATTENTION: Mr. Al McKee, State Engineer

RE: Oman #2-20 Well, NW/4 NE/4, Section 20, Township 13 South, Range 7 East
Utah Fuel #8 Well, NE/4 NW/4, Section 19, Township 13 South, Range 7 East
Clear Creek Unit
Carbon County, Utah

Gentlemen:

Please refer to our Sundry Notices and Reports on Wells, Form 9, dated February 8, 2001, previously submitted to your office covering each of the above wells.

We wish to advise that attempts will be made to produce hydrocarbons from any zone from the surface to the base of the ferron sand in the Oman #2-20 and the Utah Fuel #8. Fluids may be used to flush and clean out intervals that may contain hydrocarbons zones that are significant, including the Ferron, Mancos, Emery Sands, Star Point--Panther & Spring Canyon Tongues, Blackhawk--Hiawatha & Castlegate Coal beds.

In addition, in the Utah Fuel #8, an attempt may be made to recover stuck pipe and drill to the base of the ferron.

Your earliest review and approval of the above will be appreciated.

Very truly yours,


Steve Chamberlain, Agent for
Edward Mike Davis

SC:ct

Encls.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Well file

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

February 21, 2001

Edward Mike Davis
5177 Richmond Avenue
Houston, Texas 77056

Re: Utah Fuel # 8 Well, NE NW Sec. 19 T. 13 S., R. 7E.; API #43-007-16015 and
Oman #2-20 Well, NW NE Sec. 20, T.13 S., R. 7E.; API #43-007-30289

Gentlemen:

The Division of Oil, Gas and Mining received your sundry notices, dated February 8, 2001, regarding proposed well workover operations on the two referenced wells. On February 14, a teleconference call was placed by you and your staff to Al McKee, of this office, to discuss your request. In general, your request does not include sufficient detailed workover information to make an informed decision. You followed up the conversation with a faxed letter, dated February 14, 2001, in an effort to address these issues. Your letter still did not address the workover procedure in any detail, therefore your sundries are being returned to you denied.

I realize there may have been some confusion as to our requirements. To assist you in your future submittals, you may wish to consider the following items:

1. Attached is an example workover procedure. Obviously certain wellbore details may not be applicable to your wells; however, it is specific as to the procedure and includes a wellbore diagram.
2. If a surface pit is necessary for workover operations, prior approval will be required. Pit requests should include location, size, construction techniques, etc. An onsite evaluation may be necessary prior to our decision.
3. Blowout prevention equipment shall be utilized - in place and tested after nipping down the wellhead.
4. Full discretionary approval to perforate numerous formations will not be granted. Your request must specify, by formation and depth, your perforation intentions. You should also address the cement level behind pipe. In general, to prevent inter-


Page Two
Edward Mike Davis
February 21, 2001

zonal communication, perforation will not permitted unless cement isolation exists. Incidentally, the perforation of surface casing will not generally be permitted .

5. You indicate the use of fluids to flush and clean out potential productive zones. If you are proposing any fracturing or acidizing, you must specify the type and volume of intended fluids to be utilized, including proppants and disposal procedures.

If you have any questions, please call Al McKee at (801) 538-5274.

Sincerely,



John R. Baza
Associate Director

cr
cc: Al McKee
bcc: well file
compliance file

EXAMPLE

Workover Procedure
2240' FNL & 1325' FEL, Sec. , T , R
County, Utah

Recomplete to Upper Leadville:

1. Notify BLM. Inspect anchors. Set frac tanks for flowback. RU H₂S safety equipment.
2. MIRU workover rig. Hold pre-job safety meeting.
3. Blow down well. Kill well with 2% KCl water if necessary.
(Note: Keep casing loaded throughout job to keep well dead and prevent casing collapse. Paradox Salt from 5,166' to 8,120'.)
4. ND tree. NU BOPE.
5. Release Baker model R-3 packer @ 8,524'. TOOH w/ 2-7/8" 6.5# J-55 EUE 8rd tubing. LD gas lift valves. Prep Baker model R pkr to run back in.
6. RU WL. RIH w/ CIBP and set in 5-1/2", 17#&20#, K-55&L-80 casing at 8,450' w/ 2 sx cmt.
7. RIH and perforate Mississippian at 4 JSPF, 90 deg phasing using 4" ported casing guns with 23 g charges (Correlate to Schlumberger LDT/CNL log run 10/5/84):

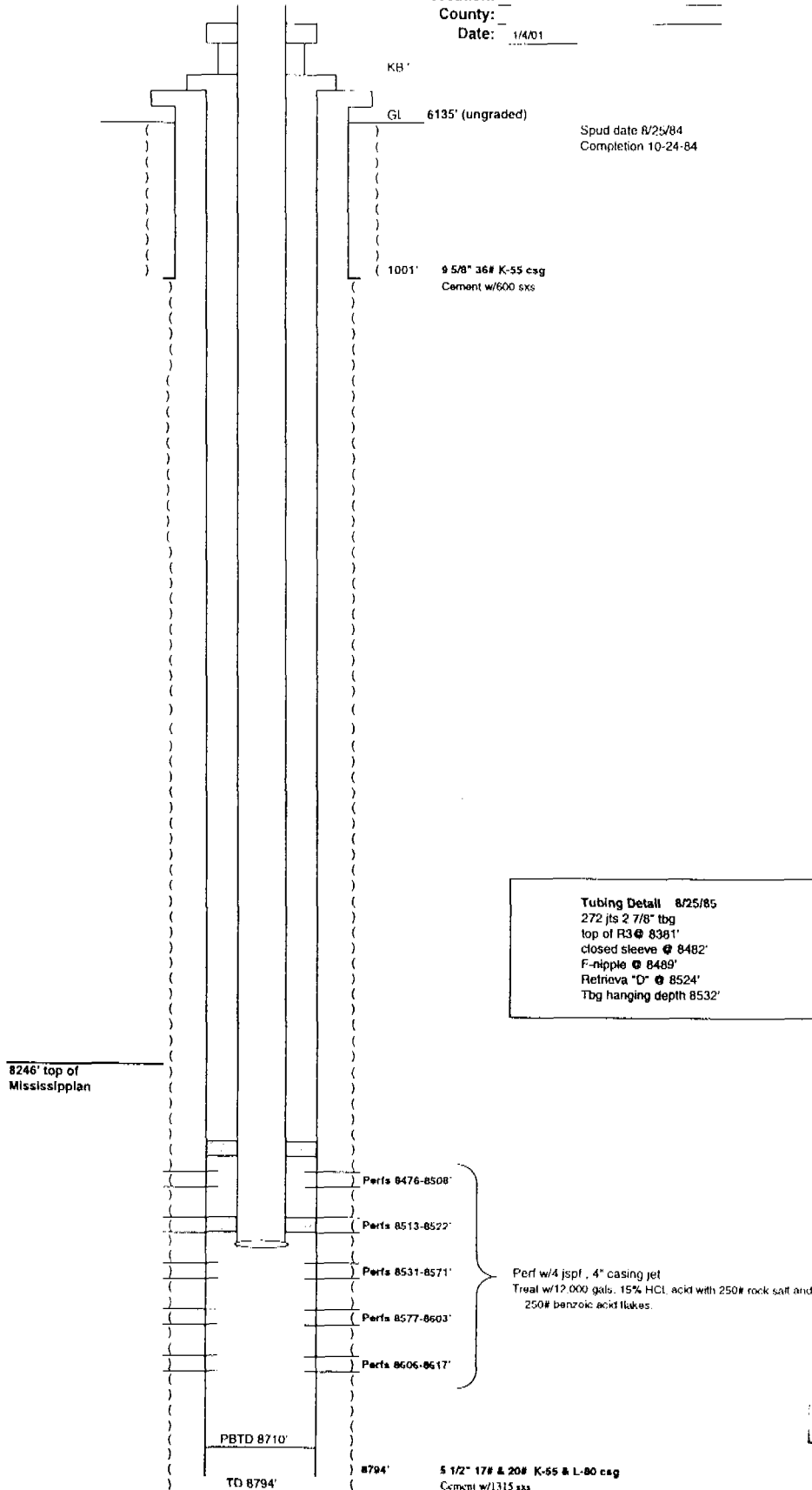
INTERVAL	FOOTAGE	JSPF	NO. OF HOLES
8,364' - 8,370'	6	4	24
8,346' - 8,358'	12	4	48
8,326' - 8,332'	6	4	24
8,306' - 8,316'	10	4	40
8,275' - 8,290'	15	4	60
8,260' - 8,264'	4	4	16
8,246' - 8,250'	4	4	16
	57		228

1. PU and TIH w/ Baker model R-3 DG packer on inspected 2-7/8" tubing. Set packer @ +/- 8,200' w/ tubing tail through perms. Swab well in, monitoring rates and pressures.
2. RU Halliburton acid equipment. Open packer bypass, spot 6,000 gal 15% SWIC HCl w/ ball sealers and additives. Close bypass and breakdown perms. Flush to top of perforations and flow back until load recovered.
3. Load backside w/ inhibited packer fluid from surface. Pressure test casing and packer to 1,000#.
4. ND BOPE. NU tree.
5. Swab well in. Flow to tank for clean-up. TO to production. RDMO.

FEB 20 2001

WELLBORE DIAGRAM

Company: _____
 Lease Name: _____
 Location: _____
 County: _____
 Date: 1/4/01 _____



FEB 28 2001

DIVISION OF
 OIL, GAS AND MINING

EDWARD MIKE DAVIS

5177 Richmond Avenue
Suite 740
Houston, Texas 77056

TEL.: (713) 629-9550 • FAX: (713) 629-4364

March 5, 2001

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

RE: Clear Creek Gas Field and Unit
Carbon and Emery Counties, Utah

Gentlemen:

Submitted herewith are Sundry Notices and Reports on Wells, Form 9, covering (1) the Oman #2-20 well located in the NW/4 NE/4, Section 20, Township 13 South, Range 7 East, and (2) the Utah Fuel #8 well situated in the NE/4 NW/4, Section 19, Township 13 South, Range 7 East. Both wells are located in Carbon County, Utah, and each respective Form 9 describes the proposed operations to be conducted thereon, by Edward Mike Davis, Operator.

Please review and respond with your approval as soon as possible, since we are in the process of securing a work-over rig.

Very truly yours,


Steve Chamberlain, Agent for
Edward Mike Davis

SC:ct

Encls.

RECEIVED

MAR 07 2001

**DIVISION OF
OIL, GAS AND MINING**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CO AGREEMENT NAME:

Clear Creek Unit

8. WELL NAME and NUMBER:

Oman #2-20

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

Clear Creek/Ferron Formation

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

Edward Mike Davis

3. ADDRESS OF OPERATOR:

5177 Richmond Avenue,
Suite 740, Houston, TX 77056

PHONE NUMBER:

(713) 629-9550

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1167' South of North Line and 1737' West of East Line

COUNTY:

Carbon

QTR/QT. SECTION, TOWNSHIP, RANGE, MERIDIAN:

NW/4 NE/4, Section 20, Township 13 South, Range 7 East

STATE:

UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

3-20-2001

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☒ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: Plan of Operations

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1. Notify BLM or Forest Service or Fee Owner - Set 500 bbl. swab tanks - Get safety equipment.
2. MIRU workover rig - Hold safety meeting.
3. Blow down well - Kill well with 2% KCI water if necessary.
4. Casing in well run by previous operator - 30" Conductor at 76 ft., 20" x 68# Casing to 293 ft., 13-5/8" x 54.5# Casing to 817 ft., 5-1/2" x 15.5# Casing to 4780 ft. DV Tool at 1823 ft. PBTD 4730.
5. NO Tree - NU BOPE.
6. Release Baker Lok-Set RBP @ 3852' - Trip out of Hold with 2-7/8" x 6.5# J55 EUE 8 ft. tubing and RBP - Check RBP.
7. Rig-up WL - RIH and Check PBTD @ 4730' TOOH and pick up Baker Lok - Set RBP & Tubing.
8. RIH and set RBP @ 4490 ft. Rig-up WL & Swab.
9. Prepare to Swab well from 4730' to 4490' from previous operator's perforations 4570'-96', 4542'-70', 4516'-34', and 4516'-4496' made with 2-1/8" gun 4SPF.

(cont'd)

NAME (PLEASE PRINT) Steve Chamberlain

TITLE Agent

SIGNATURE

Steve Chamberlain

DATE

March 5, 2001

RECEIVED

APPROVED BY THE STATE

OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE:

3/7/01

BY:

R. All Miller

MAR 07 2001

DIVISION OF
OIL, GAS AND MINING

This space for State use only

SUBJECT TO
ATTACHING CONDITIONS
OF APPROVAL.

(Cont'd)

10. Monitor well after swabbing - If satisfactory the well could be put on production; if not, the RBP will be left in place.
11. With new PBTD at 4490 ft. And a Lok-Set RBP set with tubing at 4320 ft. - Rig up WL & Swab.
12. Prepare to Swab well from 4490' to 4320' from previous operators perforations 4456' - 30', 4430'-04', 4392'-4374', 4370'-4350', and 4350'-32' made with 2-1/8" gun 4SPF.
13. Monitor well after swabbing. If satisfactory the well could be put on production; if not, the RBP will be left in place.
14. With new PBTD at 4320 ft. And a Lok-set RBP set with tubing at 4030 ft. - Rig up WL and swab.
15. Prepare to Swab well from 4320 ft. to 4030 ft. from previous operators perforations 4288'-92', 4274'-80', 4247'-69', 4226'-47', 4199'-4214', 4180'-4189', 4164'-72', 4120'-32', 4092'-4110', 4074'-4092', 4048'-4066' and new perforations 4140'-52' and 4060'-70'. All perforations made with 2-1/8" gun 4SPF.
16. Monitor well after swabbing. If satisfactory the well could be put on production; if not, the RBP will be left in place.
17. With new PBTD @ 4030 ft. And a Lok-set RBP set with tubing at 3850 ft. - Rig up WL and swab.
18. Prepare to swab well from 4030 ft. To 3850 ft. From previous operators perforations 3998'-4006', 3961'-72', 3950'-56', 3904'-28' and new perforations 3900'-10'. All perforations made with 2-1/8" gun 4SPF.
19. Run CBL-CCL-GR/N Log from 3850' to Surface. This Log will help firm up the selected zones for perforation in this interval.
20. Zones in the Mancos, Emery Sand, between 1400' and 1980', will be selectively perforated.
21. The final attempt for completion will be from the top of the Mancos Shale in the Star Point Formation and the associated Panther and Spring Canyon Sands to the near surface Blackhawk Formation and the inclusive Hiawatha and Castlegate coal beds.

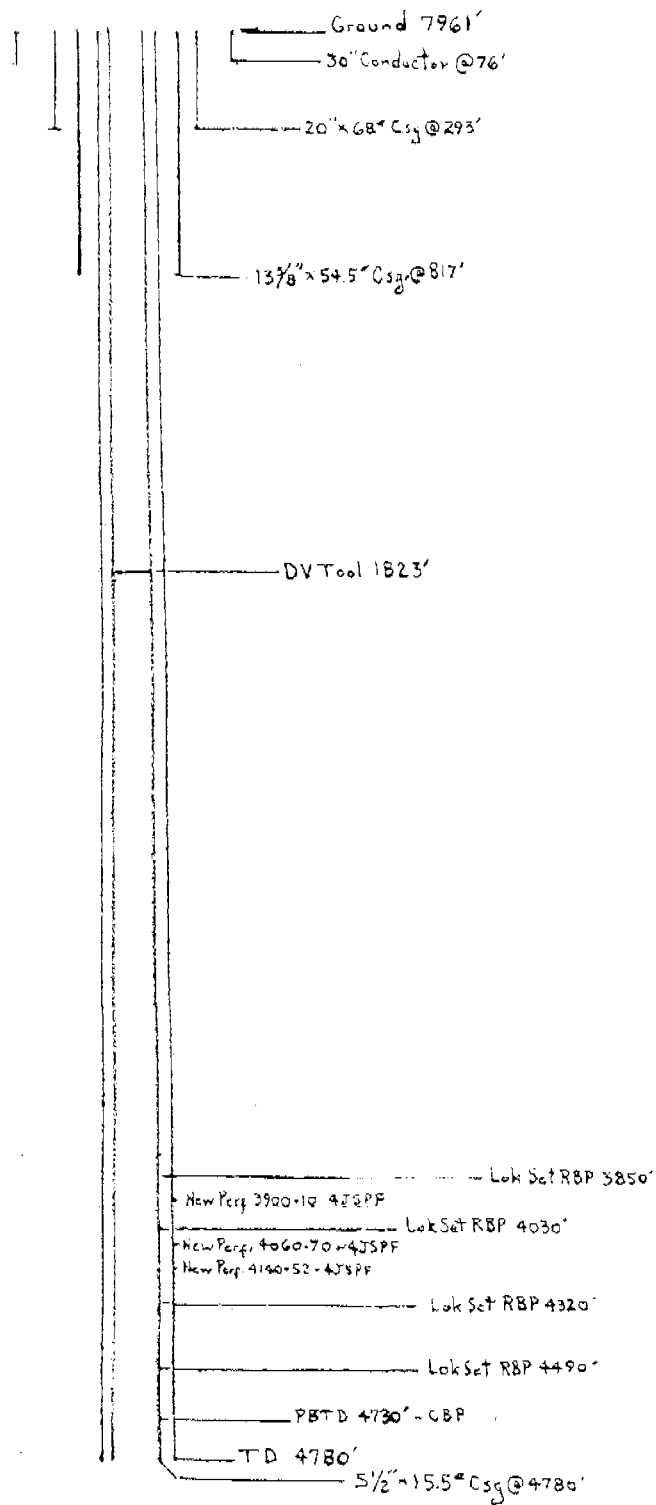
See attached Schematic of Casing.

RECEIVED

MAR 31 2001

DIVISION OF
OIL, GAS AND MINING

Schematic of Casing in Oman 2-20

**RECEIVED**

MAR 07 2001

DIVISION OF
OIL, GAS AND MINING



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

***CONDITIONS OF APPROVAL
TO WORKOVER/RECOMPLETE WELL***

Well Name and Number: Oman #2-20
API Number: 43-007-30289
Operator: Edward Mike Davis
Reference Document: Sundry Notice dated March 5, 2001, received by
DOGM on March 7, 2001

Approval Conditions:

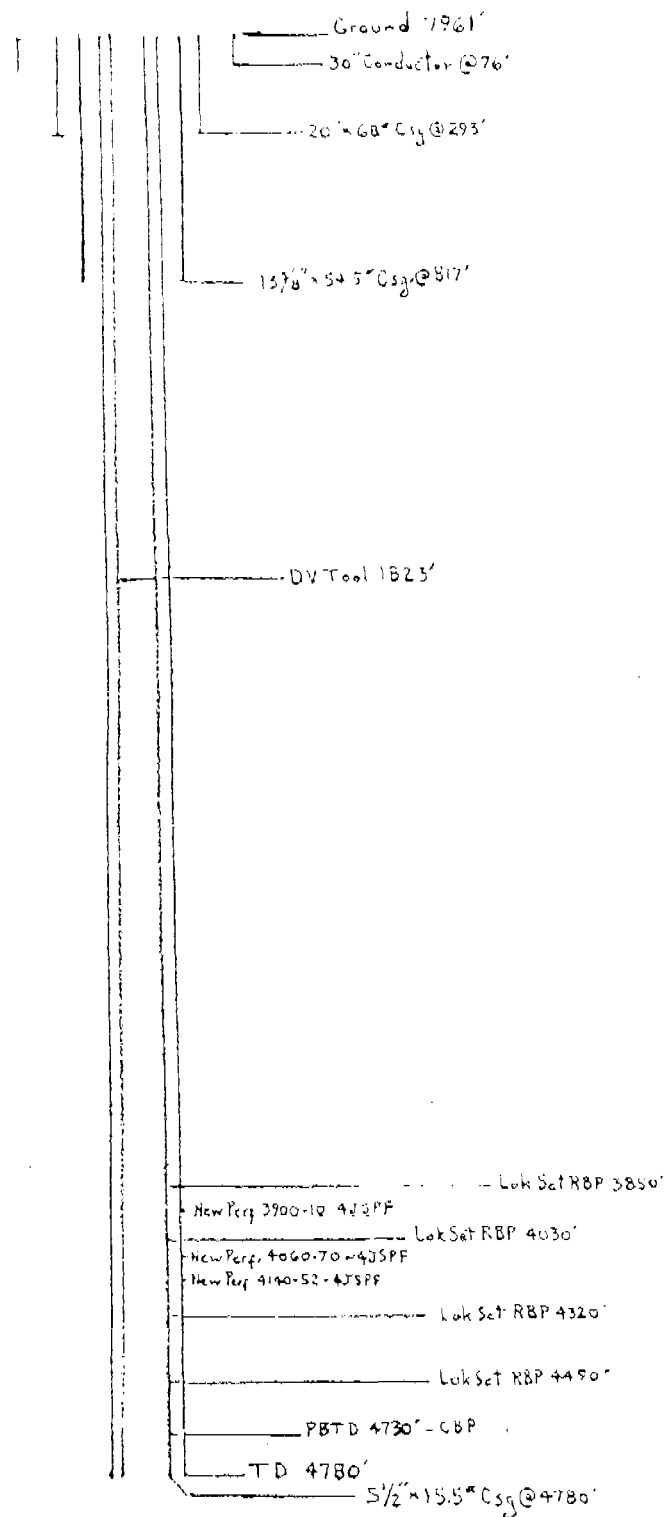
1. If the Ferron Formation is determined non-commercial, a 100' cement plug (2.5 bbls.) shall be placed on top of the RBP at $\pm 3850'$ prior to conducting further operations.
2. After running the CBL-CCL-GR/N Log, no further recompletion efforts (perforating, setting RBP, swabbing, etc.) may take place until the results of the CBL have been reported to the Division. After ensuring cement isolation exists and Edward Mike Davis provides a detailed perforation request, continued operations may be approved.
3. To protect fresh water zones, no perforation of the 20" or 13 $\frac{3}{8}$ " casing strings will be permitted. In addition, to protect fresh water @ $\pm 1708 - 1720'$, no perforation of the 5 $\frac{1}{2}$ " casing is permitted at depths shallower than $\pm 1820'$.
4. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

R. Allen McKee
Petroleum Engineer

March 7, 2001

Date

Schematic of Casing in Oman 2-20



EDWARD MIKE DAVIS

5177 Richmond Avenue
Suite 740

Houston, Texas 77056

TEL: (713) 629-9550 • FAX: (713) 629-4364

March 12, 2001

Dear MR. McKee

*Here are two (2) original "Sundry Notices
And Reports on Wells" for the OMAN #222
well located in the NW 1/4 NE 1/4 Section 20, T 13S -
R 7E, Carbon County, Utah (Clear Creek Gas Field).
We have received an approved FAT copy of your
approval of the Sundry Notice. Please return original
copy with your approval.*

- Thank you

*Steve Chamblain, Agent For,
Edward Mike Davis*

RECEIVED

Mar 12 2001

DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Edward Mike Davis		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 5177 Richmond Avenue Suite 740, Houston, TX 77056		7. UNIT or CA AGREEMENT NAME: Clear Creek Unit
PHONE NUMBER: (713) 629-9550		8. WELL NAME and NUMBER: Oman #2-20
10. FIELD AND POOL, OR WILDCAT: Clear Creek/Ferron Formation		9. API NUMBER: 43-007-30289

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1167' South of North Line and 1737' West of East Line COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NW/4 NE/4, Section 20, Township 13 South, Range 7 East STATE: UTAH

1. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 3-20-2001	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Plan of Operations
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1. Notify BLM or Forest Service or Fee Owner about move in — Get safety equipment — Set 500 bbl. swab tanks.
2. MIRU workover rig — Hold safety meeting.
3. Blow down well — Kill well with 2% KCL water if necessary.
4. Casing in well run by previous operator —
30" Conductor at 76 ft.
20" x 68# Casing at 293 ft.
13-3/8" x 54.5# Casing at 817 ft.
5 1/2" x 15.5# Casing at 4780 ft.
DV Tool @ 1823 ft. (Drilled out)
PBSD 4730 ft.

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 3/13/01
BY: R. All Mike

RECEIVE

3-13-01

DIVISION OF
OIL, GAS AND MINING

(Cont'd on attached sheet)

NAME (PLEASE PRINT) Steve Chamberlain	TITLE Agent
SIGNATURE <i>Steve Chamberlain</i>	DATE March 9, 2001

(Cont'd)

5. NO Tree - NU BOPE.
6. Release Baker Lok — Set RBP @ 3852 ft. —
Trip out of Hole with 2-7/8" x 65# J 55 EUE 8 rd tubing and RBP — Check RBP
7. Rig-up WL & RIH and Check PBTD @ 4730 ft. —
TOOH and pick-up Baker Lok — Set RBP & Tubing
8. RIH and Set RBP @ 4490 ft. above the Marine Ferron at 4500 ft.
9. Prepare to Swab well from previous perforations and new perforations 4140'--52', 4060'--70', and 3900'--10' at selected intervals from 4490 ft. to 3860 ft. These intervals are all in the fluvial Ferron section.
10. Monitor well after each section in the selected intervals has been swabbed.
11. If satisfactory the well could be put on production; if not, the marine Ferron below 4900 ft. will be swabbed from selected intervals.



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

operator file

November 6, 2001

Certified Mail 7000 0520 0023 0993 8266

Edward Mike Davis
5177 Richmond Avenue, Suite 740
Houston, Texas 77056

Re: Notice of Violation of Shut-in and Temporarily Abandoned Wells in the Clear
Creek Field, Carbon County, Utah

Dear Mr. Davis:

By letter dated August 21, 2000, the Division of Oil, Gas and Mining ("the Division") required Anschutz Corporation ("Anschutz") to comply with Rule R649-3-36, Shut-in and Temporarily Abandoned Wells (SI/TA), (copies of letter and rule are attached) for nine wells within the Clear Creek Field of Carbon County, Utah. The Division specifically required Anschutz to either produce or plug and abandon the subject wells within one year of the date of the original letter. During early calendar year 2001, the wells at issue transferred to your company, and the Division subsequently notified you that you would be subject to the original compliance deadline that was established for Anschutz of August 21, 2001. The Division has received reports that you have plugged one of the wells on the original list; however, for the remaining wells, **your company did not perform the required work by the original deadline, and this letter serves as a Notice of Violation ("NOV") that eight of the original subject wells remain in violation of Rule R649-3-36.**

The Division recognizes that you recently attempted to begin work on the nine original wells by plugging the Utah Fuel #A1 well and by submitting plans to plug one other well on the list. As a result of these recent efforts, the Division will allow you to enter a consent order to resolve this NOV. In summary, the consent order is a contractual agreement by which the Division agrees to defer its enforcement action against you as long as you comply with the terms of the agreement. The terms of the consent agreement will require you to strictly adhere to deadlines, which show diligent progress to resolving the violations. If you comply with all terms of the agreement within the specified deadlines, the violations will be deemed fully resolved. However, if you do not fully comply with the terms of the agreement, the Division will continue its enforcement action against you under the terms of the order, including payment of civil penalties described in the agreement. **Please be aware**

Page Two
November 6, 2001
Edward Mike Davis

that, in order to enter the consent agreement, you will be required to waive some of your due process rights under the law thereby making it easier for the Division to seek and obtain civil penalties against you if you do not comply with the terms of the consent agreement.

The general terms of the consent agreement would require you to comply with a Corrective Action Plan ("Plan") to progressively plug or return to production the remaining eight wells in the Clear Creek Field (listed below) that are currently in violation of the SI/TA rule. You are responsible for preparing the proposed Plan, which shall be submitted to the Division by November 30, 2001, and the Plan shall include the following for each well:

1. A detailed description of the work to be performed.
2. The anticipated duration and date of completion for the proposed work that shall include:
 1. The date the well is put on production, or;
 2. The date the plugging and abandonment procedures are completed.

Upon submittal of the Plan, the Division will determine if the Plan is reasonable and the Division will either approve or deny the proposal. At that time you will be asked to enter the consent order, a copy of which will be provided to you. If a Plan is not submitted by the above deadline, the Division will assume you do not wish to pursue negotiation of a consent agreement.

If you do not wish to enter the consent agreement, the Division shall schedule an adjudicative hearing to order the performance of the necessary work for each well and to establish an appropriate deadline for completing the work. Strict adherence to all deadlines shall be enforced. If any deadline is missed, whether according to the voluntary Plan or according to an order of the Division, you will be subject to appropriate enforcement action that can include:

1. The Board of Oil, Gas and Mining ("Board") levying fines up to \$10,000.00 per day for every well in violation given the authority provided under U.C.A. 40-6-11, part 4, and/or
2. The forfeiture of your posted bond.

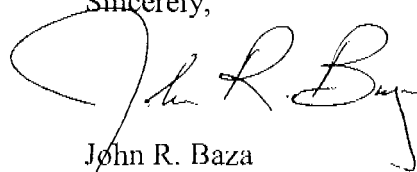
Page Three
November 6, 2001
Edward Mike Davis

The wells currently in violation are as follows:

Lease Type	Well API #	Well Name	Well Status	Completion Date	Years Inactive
Fee	43-007-16009	Utah Fuel 1	SI	1951	>17
Fee	43-007-16010	Utah Fuel 2	SI	1952	>17
Fee	43-007-16011	Utah Fuel 3	SI	1952	>17
Fee	43-007-16012	Utah Fuel 4	SI	1952	>17
Fee	43-007-16013	Utah Fuel 5	SI	1953	>17
Fee	43-007-16016	Utah Fuel 10	SI	1954	>17
State	43-007-30102	Utah Mineral St	SI	1954	>17
State	43-007-30289	Oman 2-20	SI	1996	>5

If you have any questions concerning this matter, please contact Dustin Doucet, Petroleum Engineer for the Division at (801) 538-5281.

Sincerely,



John R. Baza
Associate Director

cc: L. Braxton
D. Doucet
G. Hunt
Steve Chamberlin, Agent for Edward Mike Davis
Well File



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

November 13, 2001

Edward Mike Davis
5177 Richmond Ave, Suite 740
Houston, TX 77056

Re: Notice of Violation of Shut-in and Temporarily Abandoned Wells in the Clear Creek Field, Carbon County, Utah

Dear Mr. Davis:

In the letter of November 6, 2001, enclosures were referenced but not included. You accepted the referenced (certified mail) letter on November 9, 2001. I am attaching them at this mailing. Sorry for my oversight.

Sincerely,

A handwritten signature in cursive script that reads "Earlene Russell".

Earlene Russell
Executive Secretary

Enclosures (2)

Cc: Lowell Braxton
John Baza
Dustin Doucet
Gil Hunt
Steve Chamberlin, Agent for Edward Mike Davis
Well Files

LAW OFFICES OF
VAN COTT, BAGLEY, CORNWALL & M^CCARTHY

A PROFESSIONAL CORPORATION
ESTABLISHED 1874

50 SOUTH MAIN STREET, SUITE 1600
POST OFFICE BOX 45340
SALT LAKE CITY, UTAH 84145-0340
TELEPHONE (801) 532-3333
FACSIMILE (801) 534-0058
DIRECT DIAL: (801) 237-0352

BENNETT, HARKNESS & KIRKPATRICK
1874-1890
BENNETT, MARSHALL & BRADLEY
1890-1896
BENNETT, HARKNESS, HOWAT
SUTHERLAND & VAN COTT
1896-1902
SUTHERLAND, VAN COTT & ALLISON
1902-1907
VAN COTT, ALLISON & RITER
1907-1917
VAN COTT, RITER & FARNSWORTH
1917-1947
THOMAS W. CLAWSON

SUITE 900
2404 WASHINGTON BOULEVARD
OGDEN, UTAH 84401
(801) 394-5783
FACSIMILE (801) 627-2522

BUILDING C, SUITE 200-A
2200 PARK AVENUE
PARK CITY, UTAH 84060
(435) 649-3889
FACSIMILE (435) 649-3373
TCLAWSON@VANCOTT.COM

July 22, 2002

VIA HAND DELIVERY

Mr. John Baza
Associate Director Oil and Gas
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Re: *Change of Operator
Clear Creek Unit
Carbon and Emery Counties, Utah*

Dear John:

As we have previously discussed, I am delivering for filing (in duplicate) a Sundry Notice -- Notice of Change of Operator, whereby Edward Mike Davis transfers the operatorship of the listed wells to Mid-Power Resource Corporation.

If you have any questions or need further information, please do not hesitate to contact me.

Sincerely yours,

Thomas W. Clawson
Thomas W. Clawson *by cw*

TWC:cw
Enclosures

cc: Edward Mike Davis (via fax: (702) 877-0272 w/o enc.)
Mark Davis (via fax: (702) 214-3865, w/o enc.)

RECEIVED

JUL 23 2002

DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS
NOTICE OF CHANGE OF OPERATOR

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

NAME OF OPERATOR:
Edward Mike Davis

ADDRESS OF OPERATOR:
200 Rancho Circle, Las Vegas, NV 89107

PHONE NUMBER:
(702) 877-5678

LOCATION OF WELL See Below

FOOTAGES AT SURFACE:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CO AGREEMENT NAME:

Clear Creek Unit

8. WELL NAME and NUMBER:

See Below

9. API NUMBER:

See Below

10. FIELD AND POOL, OR WILDCAT:

COUNTY:

STATE:

UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Utah Fuel 1	43-007-16009	14S-07E-05
Utah Fuel 2	43-007-16010	13S-07E-32
Utah Fuel 3	43-007-16011	13S-07E-32
Utah Fuel 4	43-007-16012	13S-07E-30
Utah Fuel 8	43-007-16015	13S-07E-19
Utah Fuel 10	43-007-16016	14S-07E-05
Utah Mineral State	43-007-30102	13S-07E-29
Oman 2-20	43-007-30289	13S-07E-20
Ridge Runner 13-17	43-015-30269	14S-07E-17
Ridge Runner 11-20	43-015-30271	14S-07E-20
Ridge Runner 4-28	43-015-30347	14S-07E-28
Ridge Runner 6-33	43-015-30348	14S-07E-33

PREVIOUS OPERATOR:

EDWARD MIKE DAVIS

NEW OPERATOR:

MID-POWER RESOURCE CORPORATION

STATE OF UTAH

XEROX

KENNETH M. EMER

STATE OF UTAH

DATE: 7-18-02

XEROX

SECRETARY-TREASURER DATE: 7-18-02

(space for State use only)

RECEIVED

JUL 22 2002

DIVISION OF
OIL, GAS AND MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

August 14, 2002

Mid-Power Resource Corporation
3800 Howard Hughes Parkway #860
Las Vegas, Nevada 89109

Re: Clear Creek Unit
Carbon and Emery Counties, Utah

Gentlemen:

On July 22, 2002, we received an indenture dated July 19, 2002, whereby Edward Mike Davis resigned as Unit Operator and Mid-Power Resource Corporation was designated as Successor Unit Operator for the Clear Creek Unit, Carbon and Emery Counties, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective August 14, 2002. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Clear Creek Unit Agreement.

Your statewide (Utah) oil and gas bond No. 1274 will be used to cover all operations within the Clear Creek Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
Division of Oil, Gas & Mining
Minerals Adjudication Group U-934
File - Clear Creek Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron

UT922:TAThompson:tt:8/14/02

RECEIVED
AUG 15 2002
DIVISION OF
OIL, GAS AND MINING

AUG 15 2002

DIVISION OF
OIL, GAS AND MINING

Results of query for MMS Account Number 891003512A

Production	API Number	Operator	Well Name	Well Status	Lease or CA Number	Inspection Item	Township	Range	Section	Quarter/Qua
Production	4300716009	DAVIS EDWARD MIKE	1 UTAH FUEL	GSI	FEE	891003512A	14S	7E	5	SESW
Production	4300716010	DAVIS EDWARD MIKE	2 UTAH FUEL	GSI	FEE	891003512A	13S	7E	32	SWSW
Production	4300716011	DAVIS EDWARD MIKE	3 UTAH STATE	GSI	FEE	891003512A	13S	7E	32	NWSE
Production	4300716012	DAVIS EDWARD MIKE	4 UTAH FUEL	GSI	FEE	891003512A	13S	7E	30	SWSW
Production	4300716013	DAVIS EDWARD MIKE	5 UTAH STATE	GSI	FEE	891003512A	13S	7E	31	SWSW
Production	4300716014	ANSCHUTZ EXPLORATION CORP	7 UTAH FUEL	ABD	FEE	891003512A	13S	7E	17	SESW
Production	4300716015	DAVIS EDWARD MIKE	8 UTAH FUEL	PGW	FEE	891003512A	13S	7E	19	NENW
Production	4300716016	DAVIS EDWARD MIKE	10 UTAH FUEL	GSI	FEE	891003512A	14S	7E	5	NWNE
Production	4300716017	DAVIS EDWARD MIKE	1 HELEN E WALTON	PGW	UTU02354	891003512A	14S	7E	17	NWNE
Production	4300730102	DAVIS EDWARD MIKE	1 UTAH STATE	GSI	FEE	891003512A	13S	7E	29	SWNW
Production	4300730289	EDWARD MIKE DAVIS	2-20	GSI	STATE	891003512A	13S	7E	20	NWNE

Production	4301510306	ANSCHUTZ EXPLORATION CORP	1-A C K STEINER	P+A	FEE	891003512A	15S	7E	5	NESW
Production	4301511217	ANSCHUTZ EXPLORATION CORP	1 T F KEARNS JR A	ABD	UTU01481	891003512A	14S	7E	32	NWSW
Production	4301516018	ANSCHUTZ EXPLORATION CORP	16 CLEAR CREEK UNIT	ABD	UTU02353	891003512A	14S	7E	29	NESW
Production	4301516021	DAVIS EDWARD MIKE	1-A UTAH FUEL	GSI	FEE	891003512A	14S	7E	6	SWSW
Production	4301516023	ANSCHUTZ EXPLORATION CORP	3-A H E WALTON	ABD	UTU02353	891003512A	14S	7E	30	NESW
Production	4301516024	ANSCHUTZ EXPLORATION CORP	1-X PAUL WATSON	ABD	UTU01740	891003512A	14S	7E	19	SESW
Production	4301530053	ANSCHUTZ EXPLORATION CORP	17 CLEAR CREEK UNIT	ABD	UTU02353	891003512A	14S	7E	20	SWNE

DISCLAIMER for online data: No warranty is made by the BLM for use of the data for purposes not intended by the BLM.

RECEIVED

AUG 15 2002

DIVISION OF
OIL, GAS AND MINING

From: Ed Bonner
To: Thompson, Jim
Date: Thu, Sep 26, 2002 5:47 PM
Subject: Re: State bond (Mid Power Resources) for wells in the Clear Creek Unit

Mid power submitted \$20,000 cash check. This was accepted by the Director and noted on the minutes of September 11, 2002.

1. GLH
2. CDW
3. FILE

Merger

[illegible]

1. (R649-2-10) Sundry or legal documentation was received from the **FORMER** operator on: 07/22/2002
2. (R649-2-10) Sundry or legal documentation was received from the **NEW** operator on: 7/22/2002
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 10/08/2002
4. Is the new operator registered in the State of Utah: YES Business Number: 5148099-0143
5. If **NO**, the operator was contacted contacted on: N/A

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 08/14/2002

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 08/14/2002

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 10/08/2002
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 10/08/2002
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: CASH BOND

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 1274

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: N/A

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

From: Mark Jones
To: Dustin Doucet
Date: 8/25/03 2:24PM
Subject: Oman 2-20

I had asked them to take care of things on this site. They told me they would so I asked them to submit something up to you. These guys have been giving their word and have been backing it with action up there so far.

Mark

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **Mid-Power Resource Corporation**

3a. Address **3753 Howard Hughes Pkwy Ste. 200, LAS VEGAS, NV 89109** 3b. Phone No. (include area code) **702-784-7483**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1167' SO. OF NO. LINE AND 1737' WEST OF EAST LINE NW/4 NE/4, Section 20, Township 13S, Range 7E

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Clear Creek Unit

8. Well Name and No.

Oman #2-20

9. API Well No.

43-007-30289

10. Field and Pool, or Exploratory Area

Clear Creek/Ferron Formation

11. County or Parish, State

CARBON, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

- (1) BACKFILL and Compact existing Reserve pit.
- (2) Re-grade site pad for drainage.
- (3) Place a diversion ditch around perimeter to allow Spring and Run-off access around site pad.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Philip J. Matheson, II

Title **Project Supervisor**

Signature

Philip J. Matheson, II

Date

August 19, 2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

8/24/03
[Signature]

AUG 25 2003

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER Clear Creek
2. NAME OF OPERATOR Mid-Power Resources Corp.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 3753 Howard Hughes Las Vegas NV 89109		7. UNIT or CA AGREEMENT NAME
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1167' SO of No Line + 1737' W of East Line QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 20 13S 7E		8. WELL NAME and NUMBER Oman 2-20
PHONE NUMBER: (702) 784-7625		9. API NUMBER 4300730250 30289
		10. FIELD AND POOL, OR WILDCAT

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 9/8/2003	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input checked="" type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Install 2-1/2" line to flare. Build berm around area for protection.

Work was done and MARK Jones of the
DOGMA WAS notified.

NAME (PLEASE PRINT) LARRY ROWLAND TITLE VP
SIGNATURE [Signature] DATE 9-10-03

(This space for State use only)

SEP 12 2003

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NUMBER MH-1256
2. NAME OF OPERATOR Mid-Power Resources Corporation		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 3753 Howard Hughes CITY Las Vegas STATE NV ZIP 89109		7. UNIT or CO AGREEMENT NAME Clear Creek Unit
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1167' South of the North Line & 1737' West of the East Line		8. WELL NAME AND NUMBER Oman #2-20
CITY Las Vegas STATE NV ZIP 89109		9. API NUMBER 43-007-302 39
COUNTRY SECTION, TOWNSHIP, RANGE, MERIDIAN: S8C 20 T13 R7E		10. FIELD AND POOL OR WILDCAT Clear Creek/ Ferron Formation
COUNTY Carbon		STATE UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 2/15/2004	<input type="checkbox"/> ADD SIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input checked="" type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMENCE PRODUCTION FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER:
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Clean location and set portable cement pad for pumping unit. Then set size 114 pumping unit. Rig up pulling unit and run in hole with 2 7/8" tubing to 4100'. Pickup and run pump and rods, set pump at 4100' with tubing tail at 4130'. Hook up surface equipment and put well on production. Pump water to a holding tank and haul water as needed.

NAME (PLEASE PRINT) Larry Rowland TITLE Representative
SIGNATURE [Signature] DATE 2/10/04

(This space for State use only)

(5/2000)

(See Instructions on Reverse Side)

2/11/04
Distr 2nd

Mid-Power Service Corporation
3753 Howard Hughes Pkwy., Suite 200
Las Vegas, Nevada 89109
Tel. 702-784-7683 Fax 702-784-7679

Fax

To: DUSTIN From: Susan Trimboli - 702-784-7683
Fax: (801) 359-3940 Pages: 2
Phone: _____ Date: 2-10-04
Re: _____ cc: Carol Daniels

☒ Urgent ☒ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Please let me know if you have
any questions regarding attached
Andy Natter -

Signed

Susan Trimboli

(702) 784-7625

RECEIVED

FEB 10 2004

ENVIRONMENTAL MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CO AGREEMENT NAME:
Clear Creek Unit
8. WELL NAME and NUMBER:
Oman #2-20
9. API NUMBER:
43-007-30289
10. FIELD AND POOL OR WILDCAT:
Clear Creek/ Ferron Formation

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
Mid-Power Resources Corporation

3. ADDRESS OF OPERATOR:
3753 Howard Hughes CITY Las Vegas STATE NV ZIP 89109

PHONE NUMBER:

4. LOCATION OF WELL:
FOOTAGES AT SURFACE: 1167' South of the North Line & 1737' West of the East Line

COUNTY: Carbon

TRACT, SECTION, TOWNSHIP, RANGE, MERIDIAN: S8C 20. T13 R7E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 2/15/2004	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input checked="" type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Clean location and set portable cement pad for pumping unit. Then set size 114 pumping unit. Rig up pulling unit and run in hole with 2 7/8" tubing to 4100'. Pickup and run pump and rods, set pump at 4100' with tubing tail at 4130'. Hook up surface equipment and put well on production. Pump water to a holding tank and haul water as needed.

NAME (PLEASE PRINT) Larry Rowland

TITLE Representative

SIGNATURE

DATE 2/10/04

(This space for state use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: Clear Creek Unit
2. NAME OF OPERATOR: Mid-Power Resources Corporation		8. WELL NAME and NUMBER: Oman #2-20
3. ADDRESS OF OPERATOR: 3753 Howard Hughes Las Vegas NV 89109		9. API NUMBER: 43-007-302 89
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1167' South of the North Line & 1737' Wewst of the East Line QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: sec 20 T13 R7E		10. FIELD AND POOL, OR WILDCAT: Clear Creek/ Ferron Formation
		COUNTY: Carbon STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 2/15/2004	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input checked="" type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Clean location and set portable cement pad for pumping unit. Then set size 114 pumping unit. Rig up pulling unit and run in hole with 2 7/8" tubing to 4100'. Pickup and run pump and rods, set pump at 4100' with tubing tail at 4130'. Hook up surface equipment and put well on production. Pump water to a holding tank and haul water as needed.

NAME (PLEASE PRINT) Larry Rowland	TITLE _____
SIGNATURE	DATE 2/10/04

(This space for State use only)

FEB 20 2004

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 5/9/2006 BIA n/a

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: not yet

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 5/18/2006
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/18/2006
3. Bond information entered in RBDMS on: 5/18/2006
4. Fee/State wells attached to bond in RBDMS on: 5/18/2006
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: 5/9/2006

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UTB000179

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number B002775
2. The **FORMER** operator has requested a release of liability from their bond on: 5/12/2006
The Division sent response by letter on: n/a all wells covered on bond transferred

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/18/2006

COMMENTS:

Marion Energy has assumed liability of the Board ordered Edward Mike Davis wells from Mid-Power Resources

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
Marion Energy Inc. (N2740)

3. ADDRESS OF OPERATOR:
119 S Tennessee Ste #200 CITY McKinney STATE TX ZIP 75069

PHONE NUMBER:
(972) 540-2967

4. LOCATION OF WELL

FOOTAGES AT SURFACE: N/A

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: N/A

COUNTY: Carbon and Emery

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Marion Energy Inc. will take over operation of the Clear Creek Federal Unit which is currently operated by Mid-Power Resource Corporation, and is located in both Carbon and Emery Counties Utah.

N2215

Please See attachment "A" for well Names, API numbers, and legal descriptions

BLM Bond = UTB000179
Special Bond = B002775
State + Fee Bond = B001617
Effective 4/28/2006

NAME (PLEASE PRINT) Keri Clarke

TITLE Vice President Land (Marion Energy Inc)

SIGNATURE

DATE

5/4/06

(This space for State use only)

APPROVED 5/18/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

RECEIVED

**Attachment A
Marion Energy Inc.**

**Clear Creek Unit
Carbon and Emery Counties, Utah**

Wells

<u>Well Name</u>	<u>API Number</u>	<u>Status</u>	<u>Section Township Range</u>
Utah Fuel No. 1	43-007-16009-00-00	Shut-in	S. 5 T14S R7E
Utah Fuel No. 2	43-007-16010-00-00	Shut-in	S. 32 T13S R7E
Utah Fuel No. 3	43-007-16011-00-00	Shut-in	S. 32 T13S R7E
Utah Fuel No. 4	43-007-16012-00-00	Shut-in	S. 30 T13S R7E
Utah Fuel No. 5	43-007-16013-00-00	Plugged and Abandoned	S. 31 T13S R7E
Utah Fuel No. 8	43-007-16015-00-00	Shut-in	S. 19 T13S R7E
Utah Fuel No. 10	43-007-16016-00-00	Shut-in	S. 5 T14S R7E
Utah State M.L. 1256-1	43-007-30102-00-00	Shut-in	S. 29 T13S 7E
Oman 2-20	43-007-30289-00-00	Shut-in	S. 20 T13S R7E
Utah Fuel A-1	43-015-16021-00-00	Plugged and Abandoned	S. 6 T14S R7E
Alpine School District #6-17	43-007-31181-00-00	Permit not yet Approved	S. 17 T13S R7E
Alpine School District #3-17	43-007-31182-00-00	Permit not yet Approved	S. 17 T13S R7E
Ridge Runner 11-20	43-015-30271-00-00	Shut-in	S. 20 T14S R7E
Ridge Runner 13-17	43-015-30269-00-00	Shut-in	S. 17 T14S R7E
Ridge Runner #1-30	43-015-30680-00-00	Approved APD (NYS)*	S. 20 T14S R7E
Ridge Runner #7-20	43-015-30681-00-00	Approved APD (NYS)*	S. 20 T14S R7E
Ridge Runner #8-19	43-015-30682-00-00	Approved APD (NYS)*	S. 20 T14S R7E
Ridge Runner #2-18	43-015-30683-00-00	Approved APD (NYS)*	S. 17 T14S R7E
Ridge Runner #11-18	43-015-30684-00-00	Approved APD (NYS)*	S. 17 T14S R7E
Ridge Runner #11-17	43-015-30685-00-00	Approved APD (NYS)*	S. 17 T14S R7E
* Not Yet Spudded			

Plugged Wells or Abandoned Well Sites in area (noted but not changed)

Clear Creek 1	43-007-20068-00-00	Plugged and Abandoned	S. 17 T14S R7E
Clear Creek Unit No. 16	43-015-16018-00-00	Plugged and Abandoned	S. 29 T14S R7E
Clear Creek Unit No. 17	43-015-30053-00-00	Plugged and Abandoned	S. 20 T14S R7E
G W Deck A-1	43-007-16008-00-00	Plugged and Abandoned	S. 8 T14S R7E
Gov't 1-17	43-007-11179-00-00	Plugged and Abandoned	S.17 T14S R7E
Kearns A-1	43-015-11217-00-00	Plugged and Abandoned	S. 32 T14S R7E
Kemmerer Coal 1	43-015-10897-00-00	Plugged and Abandoned	S. 24 T14S R6E
Kemmerer Coal 2	43-015-10304-00-00	Plugged and Abandoned	S. 24 T14S R6E
C. K. Steiner A-1	43-015-10306-00-00	Plugged and Abandoned	S. 5 T15S R7E
Utah Fuel No. 7	43-007-16014-00-00	Plugged and Abandoned	S. 17 T13S R7E
H. E. Walton No. 1	43-007-16017-00-00	Plugged and Abandoned	S. 17 T14S R7E
H.E. Walton A-3	43-015-16023-00-00	Plugged and Abandoned	S. 30 T14S R7E
P. T. Walton No. 1-X	43-015-16024-00-00	Plugged and Abandoned	S. 19 T14S R7E
Clear Creek Water Well 1	43-007-20119-00-00	Plugged and Abandoned	S. 17 T14S R7E
Deck 1	43-007-20356-00-00	Location Abandoned	S. 8 T14S R7E
Clear Creek U 18	43-007-30043-00-00	Location Abandoned	S. 20 T13S R7E
1-18	43-015-20300-00-00	Location Abandoned	S. 18 T14S R7E
P.T. Walton 1	43-015-20302-00-00	Plugged and Abandoned	S. 19 T14S R7E
Clear Creek Unit 1	43-015-30090-00-00	Plugged and Abandoned	S. 19 T14S R7E
Clear Creek (Deep) 2	43-015-30307-00-00	Location Abandoned	S. 19 T14S R7E



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

May 9, 2006

Marion Energy Inc.
119 South Tennessee, Suite 200
McKinney, Texas 75069

Re: Clear Creek Unit
Carbon & Emery Counties, Utah

Gentlemen:

On May 8, 2006, we received an indenture dated April 28, 2006, whereby Mid-Power Resource Corporation resigned as Unit Operator and Marion Energy Inc. was designated as Successor Unit Operator for the Clear Creek Unit, Carbon & Emery Counties, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective May 9, 2006. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Clear Creek Unit Agreement.

Your Utah statewide oil and gas bond No. UTB000179 will be used to cover all federal operations within the Clear Creek Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ James A. Fouts

for Douglas F. Cook
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Moab (w/enclosure)
SITLA
Division of Oil, Gas & Mining
File - Clear Creek Unit (w/enclosure)
Agr. Sec. Chron
Reading File
Central Files

RECEIVED
MAY 11 2006

UT922:TAThompson:tt:5/9/06

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

UTU-063018X

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

CLEAR CREEK UNIT

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

CLEAR CREEK FEDERAL UNIT

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER _____

2. NAME OF OPERATOR:

Mid-Power Resource Corporation

3. ADDRESS OF OPERATOR:

8290 W. SAHARA AVE, #186 CITY LAS VEGAS STATE NV ZIP 89117

PHONE NUMBER:

(702) 838-0714

4. LOCATION OF WELL

FOOTAGES AT SURFACE: NA

COUNTY: CARBON AND EMERY

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NA

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☒ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☐ OTHER: _____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Mid-Power Resource Corporation, the designated operator of the unit, resigns as unit operator, effective upon the approval of the Successor unit operator, MARION ENERGY Inc. Mid-Power Resource Acknowledges AND Approves this change.

Please refer to ALL Documents Submitted by Marion Energy as successor unit operator AND on Behalf of Mid-Power Resource regarding this change.

NAME (PLEASE PRINT) SUSAN TRIMBOLI

TITLE Company Representative

SIGNATURE Susan Trimboli

DATE May 9, 2006

(This space for State use only)

APPROVED 5718106

(5/2000)

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

MAY 12 2006

DIV. OF OIL, GAS & MINING

CLAWSON SPRING STATE A-4

DRUNKARDS WASH, 416' FNL & 1584' FEL OF SEC. 36, T15S, R8E, CARBON, UTAH, AFE NONE,
ETD 0', GLE 6747', (FERRON COAL), POOL 808, API 43-007-30637

10/19/2006 MD 0', **PREP TO RUN PROD EQUIP**
MIRU, PRESS TEST, POOH W/ RODS & PUMP, CHG EQUIP, TAG FILL, LOG TBG,
SDFD,
CC \$17,782

10/18/2006 **Data is not available at the time of transmission.**

10/17/2006 **WELL EVENT NOT STARTED.**

10/16/2006 **WELL EVENT NOT STARTED.**

10/15/2006 **WELL EVENT NOT STARTED.**

10/14/2006 **WELL EVENT NOT STARTED.**

10/13/2006 **WELL EVENT NOT STARTED.**

RECEIVED

OCT 19 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Marion Energy Inc. Operator Account Number: N 2740
Address: 119 S. Tennessee, Ste. 200
city McKinney
state TX zip 75069 Phone Number: (972) 540-2967

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4300730289	Oman #2-20		NWNE	20	13S	7E	Carbon
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	11875	02550	12/18/1995			10/24/06	
Comments: <u>FRSD in unit pa + boundaries</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Benjamin Evans

Name (Please Print)

Benjamin Evans

Signature

Landman

Title

10/18/2006

RECEIVED

OCT 24 2006

DIV. OF OIL, GAS & MINING

CLAWSON SPRING STATE A-4

DRUNKARDS WASH, 416' FNL & 1584' FEL OF SEC. 36, T15S, R8E, CARBON, UTAH, AFE NONE,
ETD 0', GLE 6747', (FERRON COAL), API 43-007-30637

10/20/2006 MD 4124', **PREP TO MOVE TO CSS # B-6**
CONTROL WELL, PULL KILL STRING, RIH W/ PROD TBG, RUN RODS & NEW
PUMP, CHG'G GUIDES, FILL & TEST, RDMO,
CC \$36,862

10/19/2006 MD 0', **PREP TO RUN PROD EQUIP**
MIRU, PRESS TEST, POOH W/ RODS & PUMP, CHG EQUIP, TAG FILL, LOG TBG,
SDFD,
CC \$17,782

10/18/2006 **Data is not available at the time of transmission.**

10/17/2006 **WELL EVENT NOT STARTED.**

10/16/2006 **WELL EVENT NOT STARTED.**

10/15/2006 **WELL EVENT NOT STARTED.**

10/14/2006 **WELL EVENT NOT STARTED.**

RECEIVED

OCT 23 2006

DIV. OF OIL, GAS & MINING

UTAH DIVISION OF OIL, GAS AND MINING
NOTICE OF REPORTING PROBLEMS

Operator: Marion Energy, Inc. Account: N2740 Today's Date: 09/16/2008

Problems:

- ☐ Late Report(s)
☐ Inaccurate Report(s)
☐ Incomplete Report(s)
☒ Other: No Subsequent Report

Failure to submit reports in a timely, accurate, and complete manner may result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

To avoid compliance action, these reporting problems should be resolved within 7 days.

Send reports to:

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Fax to:

(801) 359-3940

43 007 30289
Oman 2-20
135 7E 20

Type of Report	Month(s) of Problem Report		
<input type="checkbox"/> Production – Form 10 <input type="checkbox"/> Disposition – Form 11 <input type="checkbox"/> Gas Plant – Form 13 <input type="checkbox"/> Enhanced Recovery – UIC Form 2 <input type="checkbox"/> Injection – UIC Form 3 <input type="checkbox"/> Other _____			
Type of Report	Well Name(s)	API Number(s)	Drilling Commenced
<input type="checkbox"/> Spud Notice – Form 9 <input type="checkbox"/> Drilling Reports – Form 9 <input type="checkbox"/> Well Completion Report – Form 8 <input checked="" type="checkbox"/> Other <u>Subsequent Sundry</u>	<input checked="" type="checkbox"/> List Attached		

Description of Problem:

Operator has submitted sundry of intents on the following wells that have been approved by DOGM. Per Rule 649-3-23, a subsequent report shall be submitted on Form 9, Sundry Notice, with in 30 days after completion. The report should show workover results, well status, work completion date, new perforation depths, etc.

If you have questions or concerns regarding this matter, please contact Rachel Medina at (801) 538-5260 .

cc: Compliance File
RAM
Well File
CHD

NOTICE OF REPORTING PROBLEMS

ATTACHMENT

Operator: Marion Energy, Inc. Account: N2740 Today's Date: 09/16/2008

[illegible]

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Clear Creek

8. WELL NAME and NUMBER:

Oman 2-20

9. API NUMBER:

4300730289

10. FIELD AND POOL, OR WILDCAT:

Clear Creek Ferron Formation

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

Marion Energy, Inc.

3. ADDRESS OF OPERATOR:

119 S. Tennessee

CITY

McKinney

STATE

TX

ZIP

75069

PHONE NUMBER:

(972) 540-2967

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1167 ft South of the north Line & 1737 ft West of the East Line

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

20 13S 7E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON	
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 12/22/2008	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____	
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION		

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Long term litigation has been resolved. As of 12-15-08 the well was turned on, deemed to be commercial and put to sales as of 12-16-08.

NAME (PLEASE PRINT) Doug Endsley

TITLE VP Operations

SIGNATURE

DATE 12/22/2008

(This space for State use only)

RECEIVED

DEC 22 2008

DIV. OF OIL, GAS & MINING



May 12, 2009

Utah Division of Oil Gas and Mining
ATTN: Clint Dworshak
1594 West North Temple, Suite 1210
Salt Lake City, UT 84116

RECEIVED

MAY 14 2009

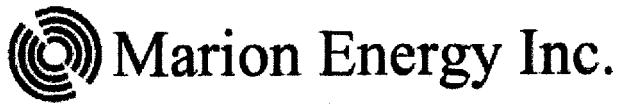
DIV. OF OIL, GAS & MINING

RE: Board Cause 250-01, Clear Creek Field Operations Update

Dear Mr. Dworshak,

Marion Energy is writing today to update the Utah Department of Oil, Gas and Mining in regards to Board Cause 250-01. Please find below a schedule for work to be completed on the wells in Clear Creek Utah pertaining to the Cause 250-01:

- 1) **Utah Fuel #4:** The Utah Fuel # 4 was Plugged and Abandoned in **December 2007**.
- 2) **Utah Fuel #10:** Marion Energy plans to enter the Utah Fuel #10 pad site this summer and Plug and Abandon this well and location. Marion Energy estimated date of P&A is **August 2009**.
- 3) **Utah Mineral State 1256-1 a/k/a Utah Mineral State 1-A:** Marion Energy has re-entered this well and found the well capable of producing gas. We are currently in negotiations with the Surface Owner to purchase and easement down his road to run a gas and water line. Marion Energy has recently completed an infrastructure overhaul and is now ready to tie the well in. We have been in negotiations with the Surface Owner for over a year. Once an easement agreement has been reached, Marion Energy estimates 100 days of construction time. Estimated date of tie-in: **October 2009**.
- 4) **Utah Fuel #8:** Marion Energy recently re-entered the Utah Fuel #8 and has deemed this well economic. We have currently run a temporary gas line to our new infrastructure and will be completing a permitted gas and water line this summer. Currently this well is producing.
- 5) ^{43 007 30289 135 7E 20} **Oman 2-20:** Marion Energy has recently re-entered the Oman 2-20 and has deemed this well economic. Marion Energy has tied this well into our new infrastructure and it is currently producing.



- 6) **Utah Fuel #2:** Marion Energy recently completed an easement agreement with the Clear Creek Home Owners Association to run a new gas and water line from the Utah Fuel #2 to new pipelines. Marion Energy intends to start work on the new pipeline in summer of 2009. We are estimating sixty (60) days for pipeline work to be completed. Once completed Marion Energy will move a work over rig onto the Utah Fuel #2 to place the well back onto production. Estimated date of tie-in is **November 2009.**
- 7) **Utah Fuel #3:** Marion Energy plans on clearing the pad site of the Utah Fuel #3 of the temporary compressor and water storage tanks being used while Marion was completing its infrastructure overhaul. Once the items have been removed, Marion Energy intends to move a work over rig onto location. Marion Energy intends to bring the Utah Fuel #3 back online. Estimated date of tie-in is **November 2009.**
- 8) **Utah Fuel #1:** Marion Energy plans on leaving the Utah Fuel #1 shut in while drilling operations are being conducted on the pad site to drill and complete the Jacob 5-5 and Jacob 4-8. Marion Energy plans on drilling the aforementioned wells during the calendar year of 2009. Once the wells have been drilled, Marion intends to bring the Utah Fuel #1 back on-line. Marion Energy has recently completed a gas gathering system overhaul, and the infrastructure is now in place and ready to receive gas from the Utah Fuel #1, once drilling operations have been completed on the pad site.

If you have any further questions or concerns please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Keri Clarke", with a stylized flourish at the end.

Keri Clarke
Vice President – Land
Marion Energy
119 S. Tennessee
McKinney, TX 75069
Phone: 972-540-2967
Cell: 214-704-4377
E-mail: kclarke@marionenergy.com



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 27, 2009

CERTIFIED MAIL No.: 7004 1160 0003 0190 2938

Marion Energy, Inc.
119 South Tennessee, Suite 200
McKinney, TX 75069
Attn: Mr. Keri Clarke

43 007 30289
13S 7E 20

Subject: Board Cause No. 250-01, 2009 Clear Creek Proposed Plan

Mr. Clarke:

The Division of Oil, Gas & Mining (the "Division") has reviewed the 2009 Clear Creek proposed plan (dated May 12, 2009, received by the Division May 14, 2009) submitted by Marion Energy Inc. ("Marion"). It is the Divisions understanding that Marion has placed the Oman State 2-20 well on production and will have the Utah Fuel #1, Utah Fuel #2, Utah Fuel #3, and Utah Mineral State #1 wells actively producing oil and gas for sale before year-end. Marion also proposes to plug and abandon the Utah Fuel #10 well by August 2009.

The Division approves the 2009 Clear Creek plan as submitted. However, this will be the **final extension** granted by the Division for the above-mentioned wells (the "Subject Wells"). The Board Order required "*each of the Subject Wells either be plugged and abandoned in compliance with Utah's laws and regulations, or actively producing oil, gas, including coalbed methane, for sale*" within five (5) years from the effective date (July 23, 2002). Failure to either plug or abandon each Subject Well, or have each well actively producing, by the end of the granted 5-year period is considered a breach of the Agreement. The Board Order granted the Division, in its sole discretion, to waive such breach if good cause is shown to extend the shut-in period. Because of the rugged topography and high elevation of most Subject Wells, the period during which operations could be conducted was limited due to weather.

Building the Unit infrastructure was more time intense than anticipated. However, continued yearly progress by Marion justified extended shut-in periods. With the Unit infrastructure now in place, the Division feels a final extension is justified to allow Marion an additional operating season to bring the Subject Wells into full Board Order compliance.




Page 2

Subject: Board Cause No. 250-01, 2009 Clear Creek Proposed Plan of Action
May 27, 2009

The Division feels Marion has been granted adequate time to perform the required work. Hence, the Subject Wells must be either plugged and abandoned or actively producing oil and gas for sale by year-end 2009 or the Division will file a Request for Agency Action before the Board to enforce the order, and seek any legal, injunctive, or equitable relief available from the Board.

Should you have any questions concerning this matter feel free to contact me at 801-538-5280 or Dustin Doucet at 801-538-5281.

Sincerely,


Clinton Dworshak
Compliance manager

CLD/js

cc: Steve Alder
Gil Hunt
Dustin Doucet
Compliance File
Well Files
Board File 250-01

N:\O&G Reviewed Docs\ChronFile\Compliance

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

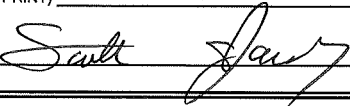
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: Marion Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 119 S. Tennessee CITY McKinney STATE TX ZIP 75069		7. UNIT or CA AGREEMENT NAME: Clear Creek Unit
PHONE NUMBER: (972) 540-2967		8. WELL NAME and NUMBER: Oman 2-20
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1167 FNL 1737 FEL		9. API NUMBER: 4300716012
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: 20 13S 7E		10. FIELD AND POOL, OR WILDCAT: Clear Creek
COUNTY: Carbon		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: Update
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Last Sundry dated 2/10/2004...this was submitted before Marion Energy took over operations. Marion does not know if the work was carried out. Marion Energy could not find any records indicating that the work had been completed. Marion Energy has turned this well into a producing well and sent in the notifying Sundry on 12/22/2008.

NAME (PLEASE PRINT) Scott Jacoby	TITLE Associate Landman
SIGNATURE 	DATE 7/22/2009

(This space for State use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: Marion Energy, Inc.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 119 S. Tennessee CITY McKinney STATE TX ZIP 75069		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE:		8. WELL NAME and NUMBER: Mult-Locations
5. PHONE NUMBER: (972) 540-2967		9. API NUMBER: 4300730289
6. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: S-20 T13S R07E		10. FIELD AND POOL, OR WILDCAT: Clear Creek

COUNTY: Carbon

STATE: UTAH

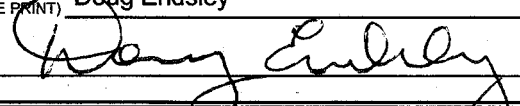
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: remedial flush jobs
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Recently Marion Energy conducted a series of short pump-in tests on the wells listed below to determine if the wells were in need of remedial flushing of the Ferron formation. Those tests indicated that the wells were partially plugged with fines. It is now our intention to start a larger series of remedial flush jobs in a cyclical manner consisting of periods of flushing followed by a period of production. The length of each cycle will be determined by individual well response. Marion Energy will be utilizing the necessary pumping equipment to achieve 3-5bbls/min and pressure up to 1800 psi. We anticipate starting these tests as soon as we have removed snow from the access roads.

Ridge Runner 13-17 API # 4301530269, Ridge Runner 11-17 API # 4301530685, Ridge Runner 2-19 API # 4301530684, Ridge Runner 1-30 API # 4301530680, Ridge Runner 11-20 API # 43015302710, ASD 3-17 API # 4300731182, ASD 6-17 API # 4300731181, Oman 2-20 API # 4300730289

NAME (PLEASE PRINT) <u>Doug Endsley</u>	TITLE <u>VP Operations</u>
SIGNATURE <u></u>	DATE <u>3/15/2010</u>

(This space for State use only)

REQUEST DENIED

Utah Division of
Oil, Gas and Mining

Date: 3/30/10

By: 

(See Instructions on Reverse Side)

RECEIVED

MAR 17 2010

(5/2000)

* insufficient information & justification
* short pump in tests were not authorized, please provide details of these tests (i.e. type of fluid and quantity of fluid injected, dates performed, jobs etc)

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator **Marion Energy, Inc.**3a. Address
119 S. Tennessee Ste. 200 McKinney, TX 750693b. Phone No. (include area code)
972-540-2967

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1167 FUL 1737 FEL**T13S R07E S-20 NWNE**5. Lease Serial No. **RECEIVED**
PRICE FIELD OFFICE

6. If Indian, Allottee or Tribe Name

2010 MAR 18 AM 9:40

7. If Unit or CA/Agreement, Name and/or No.

UTU-63018

8. Well Name and No.

Multi-Locations

9. API Well No.

4300730289

10. Field and Pool, or Exploratory Area

Clear Creek

11. County or Parish, State

Carbon

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other **Remedial Flush Jobs**

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Recently Marion Energy conducted a series of short pump-in tests on the wells listed below to determine if the wells were in need of remedial flushing of the Ferron formation. Those tests indicated that the wells were partially plugged with fines. It is now our intention to start a larger series of remedial flush jobs in a cyclical manner consisting of periods of flushing followed by a period of production. The length of each cycle will be determined by individual well response. Marion Energy will be utilizing the necessary pumping equipment to achieve 3-5bbls/min and pressure up to 1800 psi. We anticipate starting these tests as soon as we have removed snow from the access roads.

Ridge Runner 13-17 API # 4301530269, Ridge Runner 11-17 API # 4301530685, Ridge Runner 2-19 API # 4301530684, Ridge Runner 1-30 API # 4301530680, Ridge Runner 11-20 API # 43015302710, ASD 3-17 API # 4300731182, ASD 6-17 API # 4300731181, Oman 2-20 API # 4300730289

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)**Doug Endsley**Title **VP Operations**

Signature

Date

03/15/2010**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Conditions of approval, if any, are attached. Approval of the notice does not constitute a certification that the applicant holds legal or equitable title to those rights in the subject lands which would entitle the applicant to conduct operations thereon.

Title

Date

AUG 10 2010**DENIED****PRICE FIELD OFFICE**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

UDOGM

COPY**AUG 16 2010**

RECEIVED

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM NO. 2

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <u>water disposal line</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>ML-1256</u>
2. NAME OF OPERATOR: <u>Marion Energy Inc.</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. Box 1518 CITY <u>Allen</u> STATE <u>TX</u> ZIP <u>75013</u>		7. UNIT OR CA AGREEMENT NAME: <u>Clear Creek</u>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <u>1167 FNL 1737 FEL</u>		8. WELL NAME AND NUMBER: <u>Oman 2-20</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>S-20 T13S R07E</u>		9. API NUMBER: <u>43-007-30289</u>
COUNTY: <u>Carbott</u>		10. FIELD AND POOL OR WILDCAT: <u>Clear Creek</u>
STATE: <u>UTAH</u>		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>10/29/2012</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>Water line testing</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Marion Energy Inc plans to test, and if necessary repair, their water disposal line in the Clear Creek field. This test will consist of pressure testing the line with gas and locating and repairing any areas that may leak. Additionally, Marion will set a generator at the Oman 2-20 location and return this well to production. Marion personnel have already begun securing all wells within the gathering system in advance of the pressure test. Testing will be performed the week of 10/29/2012.

COPY SENT TO OPERATOR

Date: 10/31/2012

Initials: KS

NAME (PLEASE PRINT) KERI CLARKE TITLE _____
SIGNATURE [Signature] DATE 10-29-12

(This space for State use only)

REQUEST DENIED
Utah Division of
Oil, Gas and Mining

Date: 10/30/2012

By: [Signature]

(See Instructions on Reverse Side)

RECEIVED
OCT 29 2012

DIV. OF OIL, GAS & MINING

*Insufficient information provided for testing of water line (i.e. pressure, length of time)
Line should be tested with water not gas. Disposal well should be tested first.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:

Oman 2-20

9. API NUMBER:

43-007-30289

10. FIELD AND POOL OR WILDCAT:
Clear Creek, Utah

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

Marion Energy, Inc.

3. ADDRESS OF OPERATOR:

31 No. Main St.

CITY Helper

STATE UT

ZIP 84526

PHONE NUMBER:

(435) 650-3923

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY: Carbon

QTR/OTR, SECTION, TOWNSHIP, RANGE, MERIDIAN

STATE:

UTAH

11 CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☒ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☐ OTHER:

12 DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

See attached documents. Pressures and water and gas for April.

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

NAME (PLEASE PRINT) Dave Smith

TITLE Construction/Maintenance

SIGNATURE

DATE 5/1/2013

(This space for State use only)

RECEIVED

MAY 01 2013

DIV. OF OIL, GAS & MINING

Clear Creek

10 29

Tubing	0	Casing	0
--------	---	--------	---

Oman 2-20

Tubing	110	Casing	90
--------	-----	--------	----

6-17

Tubing	0	Casing	0
--------	---	--------	---

April water and gas sundry

Date	Water BBLs	Gas MCF
1	282	
2	257	
3	261	
4	260	
5	281	
6	286	
7	287	
8	280	
9	269	
10	205	
11	277	
12	286	
13	283	
14	290	
15	283	
16	83	
17	0	
18	0	
19	217	4.2
20	224	0
21	305	.5
22	327	.57

23	276	.56
24	232	.017
25	263	.611
26	214	.7
28	168	.5
29	203	.53
30	168	11

Totals	water 5,977	gas 14.9
--------	-------------	----------

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS <small>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</small>		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-1256
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: Clear Creek
		8. WELL NAME and NUMBER: Oman 2-20
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		9. API NUMBER: 4300730289
2. NAME OF OPERATOR: Marion Energy Inc.		10. FIELD AND POOL, OR WILDCAT: Clear Creek
3. ADDRESS OF OPERATOR: PO Box 1518 CITY: Allen STATE: Tx ZIP: 75013		PHONE NUMBER: (972) 540-2967
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1167' FNL & 1737' FEL COUNTY: Carbon QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 20 13S 7E STATE: UTAH		

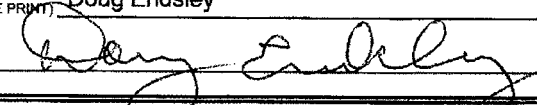
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 11/2/2013	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input checked="" type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Marion Energy intends to fracture treat existing perf's from 4048'-4110' with 140,000# 20/40 sand and 325 tons CO2 (see attached proposal). A sand plug was dumped down casing from 4459' PBTD to 4119'. The frac will be down 3 1/2", N-80, 9.3#/ft, IJ tubing with a Weatherford compression type packer set @ +/- 4020' and a desired rate of 35 bpm. FracMaster of Farmington, NM will control the flowback of the frac job to a horizontal flowback tank. Once the frac has cleaned up Marion will clean out to the original PBTD of 4459' and place the well back on production.

COPY SENT TO OPERATOR

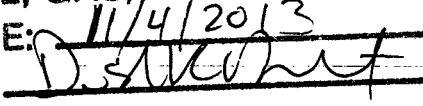
Date: **11.21.2013**
Initials: **KS**

NAME (PLEASE PRINT) Doug Endsley	TITLE VP Operations
SIGNATURE 	DATE 11/1/2013

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

(5/2000)

DATE: **11/4/2013**
BY: 

(See Instructions on Reverse Side)

RECEIVED

NOV 01 2013

DIV. OF OIL, GAS & MINING

HALLIBURTON

Marion Energy INC.
119 S Tennessee St, Ste 200
Mckinney, Texas 75069

Oman 2-20

Uinta County, Wyoming
United States of America
S:19 T:17N R:112W

Marion Frac Proposal

Prepared for:

August 22, 2013
Version: 4

Submitted by:
Chad Osborn
Halliburton
1125 17th Street #1900
Denver , Colorado 80202
+13038994730

HALLIBURTON

HALLIBURTON

*Halliburton appreciates the opportunity to present
this proposal and looks forward to being of service to you.*

Foreword

Enclosed is our recommended procedure for fracturing the formation in the referenced well. The information in this proposal includes well data, calculations, material requirements, and cost estimates. This proposal is based on information from our field personnel and previous stimulation services in the area. Halliburton appreciates the opportunity to present this proposal for your consideration and we look forward to being of service to you. Our Services for your well will be coordinated through the Service Center listed below. If you require any additional information or additional designs, please feel free to contact myself or our field representatives listed below.

Prepared and Submitted by:

Chad Osborn
Technical Advisor

SERVICE CENTER: Vernal, UT

SERVICE COORDINATOR: Joe Gant

PHONE NUMBER: 435-789-2550

Well Information

Marion Frac Proposal

Well Name: Oman

Well #: 2-20

Tubulars

Name	Measured Depth (ft)	Outer Diameter (in)	Inner Diameter (in)	Linear Weight (lbm/ft)	Grade
Tubing	0 - 4020	3.5	2.992	9.3	N-80
Production Casing	0 - 4780	5.5	4.95	15.5	J-55

Perforations

Interval Name/ Depth (ft)	Shot Density (spf)	# of Perfs
Perforation Interval / 4074 - 4110	4	145
Perforation Interval / 4048 - 4066	4	73

HALLIBURTON

Job Fluids Summary

Marion Frac Proposal

Fresh Water	
Volume	Base Fluid
4000 (Gal)	Fresh Water*
Totals	4000 (Gal)

FR-66 Water			
Volume	Base Fluid	Friction Reducer	Foamer
15306 (Gal)	Fresh Water*	FR-66	HC-2
Totals	15305.7 (Gal)	7.65 (Gal)	76.53 (Gal)

45# PERMSTIM LT								
Volume	Base Fluid	Crosslinker	Clay Control	Surfactant	Surfactant	Breaker	Biocide	Foamer
29228 (Gal)	Fresh Water*	CL-41	CLA-Web	OILPERM A	OILPERM B	GBW-30	BE-6	HC-2
Totals	29227.69 (Gal)	14.61 (Gal)	14.61 (Gal)	21.92 (Gal)	21.92 (Gal)	14.61 (lbm)	4.38 (lbm)	146.14 (lbm)

JOB TOTALS									
Volume	Base Fluid	Friction Reducer	Foamer	Crosslinker	Clay Control	Surfactant	Surfactant	Breaker	Biocide
(Gal)	(Gal)	(Gal)	(Gal)	(Gal)	(Gal)	(Gal)	(Gal)	(lbm)	(lbm)
	Fresh Water*	FR-66	HC-2	CL-41	CLA-Web	OILPERM A	OILPERM B	GBW-30	BE-6
	48533.39	7.65	222.67	14.61	14.61	21.92	21.92	14.61	4.38

Proppant		
Designed Qty		Requested
CRC-20/40	17000 (lbm)	17000 (lbm)
Premium White-20/40	123000 (lbm)	123000 (lbm)

Customer Supplied Items *			
	Designed Qty	Tank Bottom	Requested w/ Tank Bottom
Fresh Water	48533.39 Gal	0 Gal	48534 Gal

CO2 and N2 Totals	
CO2 Mass	648074.46 lbm

HALLIBURTON

Treatment 1

Marion Frac Proposal

Well Name	Oman	Fresh Water	4000 Gal
Job Name	Marion Frac Proposal	FR-66 Water	15305.7 Gal
No. of Perfs/Jets	218	45# PERMSTIM LT	29227.69 Gal
Mid Perf Depth	12355 ft	Premium White-20/40	123000 lbm
Estimated Pump Time	1.77 hrs	CRC-20/40	17000 lbm
BHST	125 degF		
Frac Gradient	0.75 psi/ft		

Casing (Surface)								
Trt-Stage	Stage Desc.	Flow Path	Fluid Desc.	Rate-Liq+Prop	Clean Vol.	Proppant	Proppant Conc.	Prop. Mass
1-1	Load Well	IN	Fresh Water	5.08	4000		0	0
1-2	Pad	IN	FR-66 Water	10.67	7622.7		0	0
1-3	Proppant Laden Fluid	IN	45# PERMSTIM LT	11.45	9354.68	Premium White-20/40	1.6	15000
1-4	Proppant Laden Fluid	IN	45# PERMSTIM LT	12.19	6374.74	Premium White-20/40	3.14	20000
1-5	Proppant Laden Fluid	IN	45# PERMSTIM LT	12.2	2232.14	CRC-20/40	3.14	7000
1-6	Proppant Laden Fluid	IN	45# PERMSTIM LT	13.58	3325.66	Premium White-20/40	6.01	20000
1-7	Proppant Laden Fluid	IN	45# PERMSTIM LT	14.86	4156.74	Premium White-20/40	8.66	36000
1-8	Proppant Laden Fluid	IN	45# PERMSTIM LT	16.05	2881.79	Premium White-20/40	11.1	32000
1-9	Proppant Laden Fluid	IN	45# PERMSTIM LT	16.09	901.95	CRC-20/40	11.09	10000
1-10	Flush	IN	FR-66 Water	35.57	7683		0	0
Totals					48533.4			140000

HALLIBURTON

Well Name	Oman	Fresh Water	4000 Gal
Job Name	Marion Frac Proposal	FR-66 Water	15305.7 Gal
No. of Perfs/Jets	218	45# PERMSTIM LT	29227.69 Gal
Mid Perf Depth	12355 ft	Premium White-20/40	123000 lbm
Estimated Pump Time	1.77 hrs	CRC-20/40	17000 lbm
BHST	125 degF		
Frac Gradient	0.75 psi/ft		

Casing (Foam)									
Trt-Stage	Stage Desc.	Fluid Desc.	Proppant	BH Prop Conc.	BH Clean Vol.	BH Rate	Surface CO2 Liq Rate	CO2 Mass	Quality IPF
1-1	Load Well	Fresh Water		0	4000	5	0	0	0
1-2	Pad	FR-66 Water		0	25000	35	23.75	144950.15	70
1-3	Proppant Laden Fluid	45# PERMSTIM LT	Premium White-20/40	0.5	30000	35	23	172249.69	70
1-4	Proppant Laden Fluid	45# PERMSTIM LT	Premium White-20/40	1	20000	35	22.28	113706.13	70
1-5	Proppant Laden Fluid	45# PERMSTIM LT	CRC-20/40	1	7000	35	22.26	39789.19	70
1-6	Proppant Laden Fluid	45# PERMSTIM LT	Premium White-20/40	2	10000	35	20.93	55726.07	70
1-7	Proppant Laden Fluid	45# PERMSTIM LT	Premium White-20/40	3	12000	35	19.69	65518.9	70
1-8	Proppant Laden Fluid	45# PERMSTIM LT	Premium White-20/40	4	8000	35	18.54	42777.67	70
1-9	Proppant Laden Fluid	45# PERMSTIM LT	CRC-20/40	4	2500	35	18.49	13356.66	70
1-10	Flush	FR-66 Water		0	7683	35	0	0	0
Totals					126183			648074.46	

HALLIBURTON

Fluid Details - Treatment 1

Marion Frac Proposal

Fresh Water	
Volume (Gal)	Base Fluid
4000	Fresh Water *
	0 - 4000

FR-66 Water			
Volume (Gal)	Base Fluid	Friction Reducer (gal/Mgal)	Foamer (gal/Mgal)
15305.7	Fresh Water *	FR-66	HC-2
	0 - 15305.7	0.5	5

45# PERMSTIM LT								
Volume (Gal)	Base Fluid	Crosslinker (gal/Mgal)	Clay Control (gal/Mgal)	Surfactant (gal/Mgal)	Surfactant (gal/Mgal)	Breaker (lbm/Mgal)	Biocide (lbm/Mgal)	Foamer (gal/Mgal)
	Fresh Water *	CL-41	CLA-Web	OILPERM A	OILPERM B	GBW-30	BE-6	HC-2
29227.69	0 - 29227.69	0.5	0.5	0.75	0.75	0.5	0.15	5

* Customer Supplied

HALLIBURTON

Cost Estimate

Marion Frac Proposal

SAP Quote # 0

<u>Mtrl Nbr</u>	<u>Description</u>	<u>Qty</u>	<u>U/M</u>	<u>Base Amt</u>	<u>Unit Price</u>	<u>Gross Amt</u>	<u>Net Amt</u>
14201	PE BOM-WATER FRAC - CONVENTIONAL	1	JOB			0.00	0.00
	Pumping						
224400	MOBILIZATION CHGS FRAC SOL SVC CH BARRELS/CUBIC METRES (BBL/M3) RATE PER BBL/CUM PRESSURE UNITS (PSI/MPA/BAR) PRESSURE	80 BBL 15.2 PSI 5421	MI		230.00	18,400.00	6,440.00
224401	FRACTURING -SOLUTION SERVICE CHARG BARRELS/CUBIC METRES (BBL/M3) RATE PER BBL/CUM PRESSURE UNITS (PSI/MPA/BAR) PRESSURE	1 BBL 15.2 PSI 5421	JOB		93,695.00	93,695.00	52,469.20
224402	ADDTL HRS ON LOC FRACTURING SOL SVC CHG BARRELS/CUBIC METRES (BBL/M3) RATE PER BBL/CUM PRESSURE UNITS (PSI/MPA/BAR) PRESSURE	0 BBL 35 PSI 7500	H		17,161.00	0.00	0.00
112452	ENERGIZED FLUID PUMPING SURCHARG SURCHARGE SERVICE VALUE	1 1	EA		15,000.00	15,000.00	15,000.00
	SubTotal		USD			127,095.00	73,909.20
	Materials						
467131	FR-56 WATER	15306	GAL			N/C	N/C
101766302	FR-66	8	GAL		152.55	1,220.40	183.06
100003800	BE-6	5	LB		333.35	1,666.75	250.01
756848	PERMSTIM (PPT) TOTAL GEL PPT UNIT OF MEASURE - MLB	29228 0 MLB	GAL			73,070.00	10,960.50
102155691	CL-41	15	GAL		170.00	2,550.00	382.50
101985045	CHEM, CLA-WEB - TOTE	15	GAL		474.30	7,114.50	1,067.17
102223605	OILPERM A	22	GAL			N/C	N/C
102223741	OILPERM B	22	GAL			N/C	N/C
771527	SBM OILPERM	34	GAL		176.80	6,011.20	1,082.02
100012218	HC-2	210	GAL		93.46	19,626.60	2,943.99
100064049	GBW-30 BKR - 25# BOX,SEE 516.00146	15	LB		73.74	1,106.10	165.91
100003678	SAND-PREMIUM WHITE-20/40	1230	SK		180.00	221,400.00	17,712.00
216319	Proppant Handl & Stor. Sol Chg Per lb	140000	LB		0.09	12,600.00	2,268.00
216318	Proppant Del Sol Chg, per ton mile	5600	TNM		4.05	22,680.00	4,082.40
101357947	SAND-CRC-20/40	17000	LB		2.25	38,250.00	5,737.50
101700124	SUPER SET U	40	GAL		128.34	5,133.60	1,540.08
	The following items are for real time data transmission						
18402	REMOTE DATA TRANSMISSION SETUP CHARGE NUMBER OF UNITS	1 1	EA		2,837.00	2,837.00	425.55
97821	RTRS-DATA TRANSMISSION, 2 HR MIN/ADDL HR HOURS OR FRACTION (MIN2) HR/DAY/WEEK/MTH/YEAR/JOB/RUN	1 0	EA		1,180.00	1,180.00	177.00
231877	PE INSITE Anywhere Svc per job, per day DAYS OR PARTIAL DAY(WHOLE NO.)	1 1	JOB		1,446.00	1,446.00	216.90

HALLIBURTON

<u>Mtrl Nbr</u>	<u>Description</u>	<u>Qty</u>	<u>U/M</u>	<u>Base Amt</u>	<u>Unit Price</u>	<u>Gross Amt</u>	<u>Net Amt</u>
683872	PE STIMULATION REGISTRY FEE	1	EA		250.00	250.00	250.00
	PROCESSING PER STAGE/PLUS ADDT	1					
	UNIT OF MEASURE - STAGE	STG					
	SubTotal		USD			418,142.15	49,444.59
	Total	USD					545,237.15
	Discount	USD					421,883.36
	Discounted Total	USD					123,353.79

Primary Plant: Vernal, UT, USA
Secondary Plant: Vernal, UT, USA

Price Book Ref: 01 Western US Pre2013
Price Date: 5/30/2013

Conditions

NOTE

The cost in this analysis is good for the materials and/or services outlined within and shall be valid for 30 days from the date of this proposal. In order to meet your needs under this proposal with a high quality of service and responsive timing, Halliburton will be allocating limited resources and committing valuable equipment and materials to your area of operations.

Accordingly, the discounts reflected in this proposal are available only for materials and services awarded on a first-call basis. Alternate pricing may apply in the event that Halliburton is awarded work on any basis other than as a first-call provider.

The unit prices stated in the proposal are based on our current published prices. The projected equipment, personnel, and material needs are only estimates based on information about the work presently available to us. At the time the work is actually performed, conditions then existing may require an increase or decrease in the equipment, personnel, and/or material needs. Charges will be based upon unit prices in effect at the time the work is performed and the amount of equipment, personnel, and/or material actually utilized in the work. Taxes, if any, are not included. Applicable taxes, if any, will be added to the actual invoice.

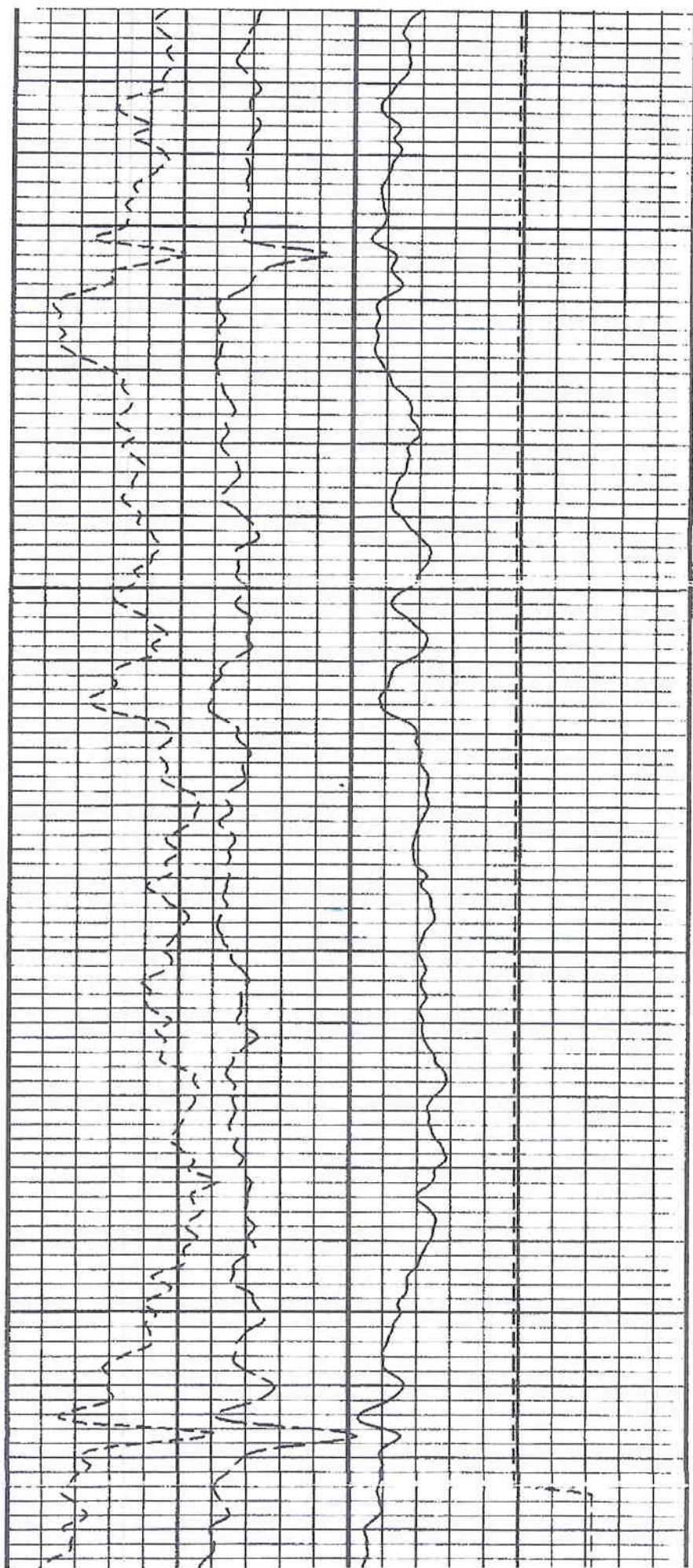
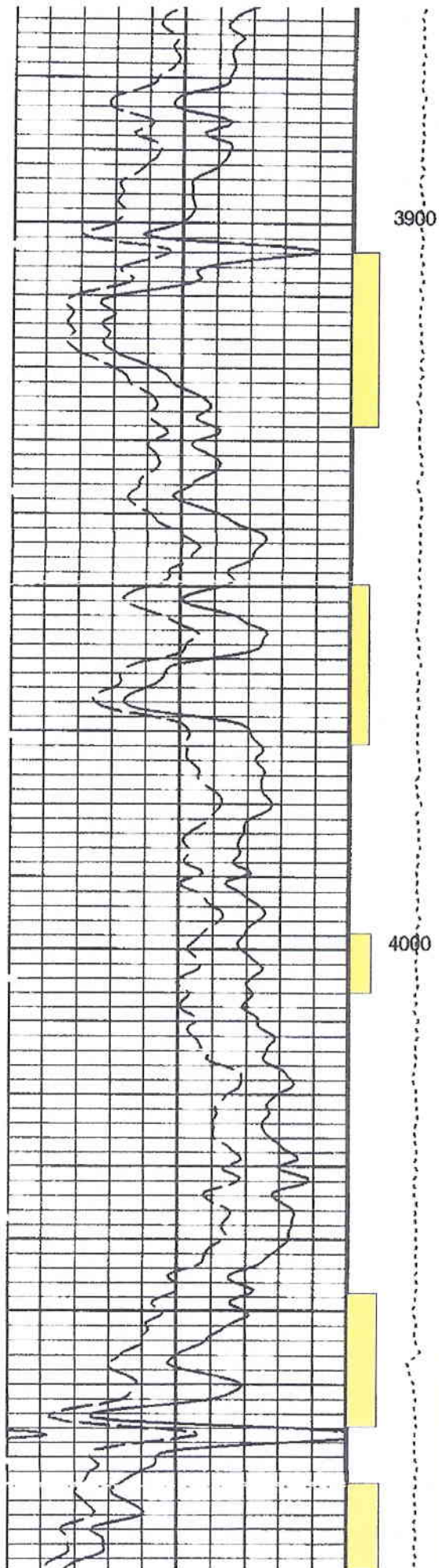
It is understood and agreed between the parties that with the exception of the subject discounts, all services performed and equipment and materials sold are provided subject to Halliburton's General Terms and Conditions contained in our current price list, (which include LIMITATION OF LIABILITY and WARRANTY provisions), and pursuant to the applicable Halliburton Work Order Contract (whether or not executed by you), unless a Master Service and/or Sales Contract applicable to the services, equipment, or materials supplied exists between your company and Halliburton, in which case the negotiated Master Contract shall govern the relationship between the parties. A copy of the latest version of our General Terms and Conditions is available from your Halliburton representative or at:

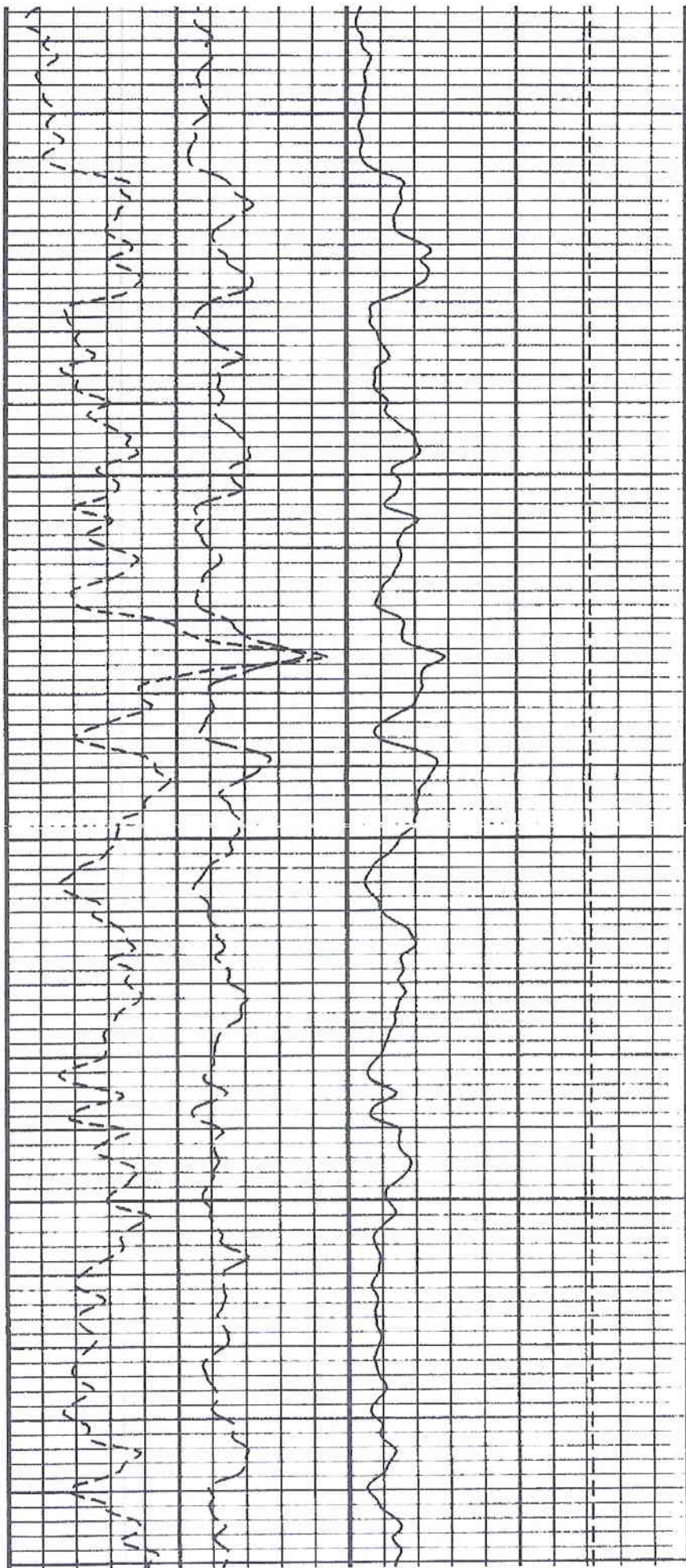
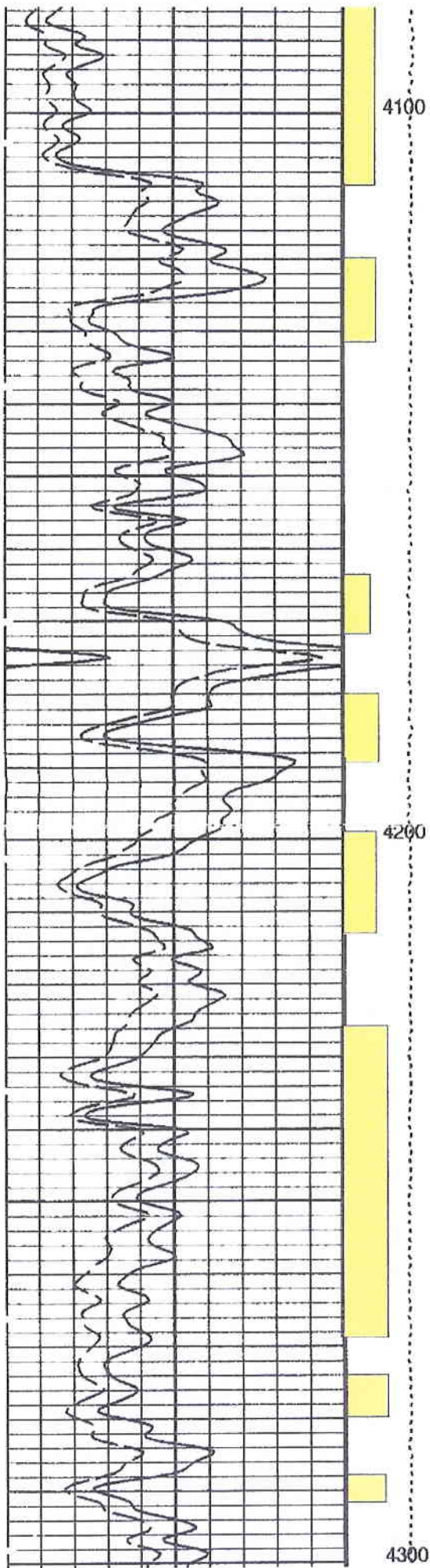
http://www.halliburton.com/hes/general_terms_conditions.pdf for your convenient review, and we would appreciate receiving any questions you may have about them. Should your company be interested in negotiating a Master Contract with Halliburton, our Law Department would be pleased to work with you to finalize a mutually agreeable contract. In this connection, it is also understood and agreed that Customer will continue to execute Halliburton usual field work orders and/or tickets customarily required by Halliburton in connection with the furnishing of said services, equipment, and materials.

Any terms and conditions contained in purchase orders or other documents issued by the customer shall be of no effect except to confirm the type and quantity of services, equipment, and materials to be supplied to the customer.

If customer does not have an approved open account with Halliburton or a mutually executed written contract with Halliburton, which dictates payment terms different than those set forth in this clause, all sums due are payable in cash at the time of performance of services or delivery of equipment, products, or materials. If customer has an approved open account, invoices are payable on the twentieth day after date of invoice.

Customer agrees to pay interest on any unpaid balance from the date payable until paid at the highest lawful contract rate applicable, but never to exceed 18% per annum. In the event Halliburton employs an attorney for collection of any account, customer agrees to pay attorney fees of 20% of the unpaid account, plus all collection and court costs.





Present Completion

API: 43-00730289

GL: 7,963'

KB: 7,981'

Oman #2-20

Updated : 12/11/2009

LOCATION:

Clear Creek
NW NE
Sec. 20 T13S R7E
Carbon County, UT

Casing Strings:**30"** Conductor @ 76'**20"**, 94# @ 308'

Cmtd w/ 300 sx

TOC @ surface

13-3/8", 54.5# @ 818'

Cmtd w/ 765 sx

TOC @ surface estimated

5-1/2", 15.5# @ 4,780' MD

DV tool @ 1,823'

Cmtd w/ 323 sx 1st stage

Cmtd w/ 821 sx 2nd stage

TOC 1st stg @ 3,300' (CBL)

TOC 2nd stg @ 900' (CBL)

Drilling Notes:***Directional Well***

Attempted to air drill surface.

Encountered loose rock, clay, wtr flow

wtr flow @ 180', sqz w/ 75 sx

wtr flow @ 375', sqz w/ 350 sx, 3 stgs

10 ppg mud @ 1,000' to kill wtr flow

Lost Circulation 4,359'-4,780'

25% LCM in mud, cum losses = 1400 bbls

See additional tab for directional surveys

Tubing:

12/11/2009 K.B. 14'

137_Jts 2-7/8" J-55 EUE Tbg. = 4251.81'

1-2- 7/8" 10' sub**1-2- 7/8" 6' sub****1-2- 7/8" S.N. 1.1'****1-2- 7/8" Drain valve 1.01'****Pump Sensor 3.0' @4336.26'****pump assembly 52.34'****S.N. @ 4276.92'****Drain Valve @ 4283.92'****Pump intake @ 4311.96'****End of pump @ 4336.26'**

Electric Sub pump

Suspected dog leg near 4120'-4180'

Tagged fill @ 4459' on 12/11/2009

Acidized w/4000 gal. HCL. Details on history tab. 12/9/2009

Ferron (Cased Hole) 1996

3,904'-28', 3,950'-72', 3,998'-4,006'

Acidized, no details given

4,048'-66', 4,074'-4,110', 4,120'-32'

4,164'-72', 80'-89', 4,199'-4,214'

4,226'-69', 4,274'-80', 4,288'-92'

4,332'-70', 4,374'-92', 4,404'-56'

4,496'-4,534', 4,542'-96'

PBTD @ 4459' on 12/11/2009**Baker Lok Set RBP @ 4,486' w/ 1 sk sand****Spud Date:** 12/23/95**TD Date:** 2/9/96**Comp. Date:** 3/11/96**TD = 4,780' MD, 4,182' TVD**

Oman 2-20

- 10/27/2008 SICP = 20 psi. POOH w/ 63.5 stands tbng. RIH w/ bull plugged mud anchor, screen, S/N and 124 jts.
EOT = 4,058'. S/N @ 3,996'. NU wellhead
Daily Cost: \$3,676 Cum Cost: \$3,676
- 10/28/2008 SICP = 40 psig. SITP = 0 psig. RIH w/ 50 ft HF insert pump + 6 sinker bars + 116 - 7/8" rods w/ molded guides + 36 - 1" rods w/ molded guides + 1 - 6' x 1" pony + 1 - 2' x 1" pony. NU pump tee and stuffing box.
Seat pump and test pump action - good.
Daily Cost: \$4,490 Cum Cost: \$8,166
- 10/29/2008 Load tbng w/ water. Re-set pump to tag. Pressure test to 600 psig - good. Still pumping after 1 hr.
RDMO.
Daily Cost: \$3,676 Cum Cost: \$11,842
- 10/31/2009 N.D. pumping unit. Spot rig in with rod equipment. Took 3000# over string to unseat the pump. Pooh. W/ 49 - 1" rods
218 - 7/8" rods + 6 weight bars w/ roller rod guides. Had to fish pump with sand line, the pump had backed off and had also almost broke. RIH w/ new pump and rods.
put well back on pump. Pump is not acting right, very little fluid on the down stroke, or displacement stroke.
Daily Cost: \$3,033
- 11/3/2009 Tubing and casing are dead 0 psi. Try to reseat the pump and load the hole. Tubing would not test. Tooh w/ 49-1" rods + 218 - 7/8" rods + 6 weight bars w/ roller guides. Dropped standing valve and loaded hole with a water truck, tubing would not test. Ru BOP's and tubing equipment. Tooh w/ 118 jts. 2-7/8" J-55 tbng. In the derrick l.d. #119
20,21,22,23,24,25 Rod wear & hole in jt #119. L.d. production assembly. SDFD and wait for electrical parts for the rig.
Daily Cost: \$4,083
- 11/6/2009 Csg. Psi 25 flowing unmeasurable amount of gas. RIH w/ 40 h.p. motor 12.05' + LSL HL 5.38' + 400 pfsr hl seal adapter 3.87' + RGS 400 LT 2.68' + 300 99/stg. CMP + 300 99/stg. CMP 9.12' + 300/47 stg. CMP 5.55' + drain valve .44' + 2-7/8 sub j-55 6' + 2-7/8" S.N. 1.1' + 127 jts. 2-7/8" j-55 4079.48' 2- 2-7/8" subs 16' + 1 2-7/8" 6' sub + 1- 2-7/8" 4' sub + 14' K.B. End of pump @ 4174.84' S.N. @ 4120 +/- F nipple @ 4127 +/- Pump intake @ 4150.07. Assemble the well head and then wire in the ESP drive equipment. Had to rob electronic board from Alpine 3-17 in order to get the pump working. Brought well on line @ 11:00 p.m. Had to bypass an electrical filter temporarily.
Daily Cost: Rig = \$4696 ESP = \$ 6440
- 11/24/2009 MIRU Wildcat Rig Dropped Standing valve and attempted to load tubing, tubing would not stand full. Stayed on a slight suck. Suspected tubing leak. SDFN
Daily Cost: Rig = \$1500
- 11/25/2009 Blew down the casing and nipped down the well head. Nipped up the BOP's and TOO. Tubing was dry until joint #85, found a slight pin hole just below the collar.
All tubing was laid down because of rod cut and corrosion, note that tubing was coated with light scale. The entire pump assembly was torn down and inspected.
The intake/gas separator shaft was broken in half. The bushings inside of the intake were completely gone, not even a trace of the parts could be found. No foreign material was found in the intake or pump assembly, no sand, coal scale etc. It is suspected that there may be a dog leg somewhere in the lower section of the well just above the RBP @ 4182.
There is no explanation for the worn bushings in the intake other than a possible bind on the pump assembly. The intake is considered to be the weakest link when compared to the rest of the assembly or at least where the assembly would be most likely to flex. Serviced the motor and installed the down hole sensor sub. SDFN. Waiting for a new string of tubing.
Daily Cost: Rig = \$ 2640
- 11/27/2009 Rig Crew hauled skid steer fork lift to location and handled all of the new tubing string. Off loaded trucks and prepared for picking up tubing.
Daily Cost: Rig = \$1050
- 11/28/2009 Weatherford serviced their pumps and installed their assembly. RIH with pump assembly = 50.75' Drain sub 1.01' + 2-7/8" x 6' sub + S.N. = 1.01' + 2-7/8 tbng. = 4066.02'
2-7/8" x 10' sub. Nipped up well head, wired in the ESP and brought the well on line. End of pump @ 4148.88'. Pump intake @ 4124.58'. Down hole sensor @ 4124.58'
Released rig crew and monitored pump all night. There is more detail on the well bore diagram. Note: we will have to wait until next week for a tear down report and well bore schematic from weatherford.
Daily Cost: Rig = \$3250 ESP = \$7890
- 12/8/2009 MIRU Wildcat well service. Borets ESP on location. Wait on Grako to bring Preventers. Roads are snow packed and slick. Bop's showed up @ 11:00 a.m.
Tooh with ESP. Shaft was broken just above coupling between intake and first stage pump. Excessive play in the intake/seperator. Gunk in drain valve, pipe dope, coal fines, etc. gathered sample. Pumps all turned free, play was not excessive in shafts. Motor and seals all tested good. SDFN.
- 12/9/2009 60 psi on the well. Blow down well, w/Baker tool hand PU Retrievmatic Packer. RIH with 124 jts 2-7/8" tubing, set packer @ 3860'. Wait on Superior well service for acid treatment. Weather is bad, road conditions are bad, snow packed. Superior on location @ 3:00 pm RU lines and unfrozen equipment.
Primed up and tested lines to 3,000 psi. Opened up well and pumped job. 1st stage 500 gal. hcl then 750# rock salt diverter slurry. 2nd stage 1500 gal. hcl then 750# rock salt diverter slurry. 3rd stage 2000 gal. hcl. Flushed to perfs. Note: Acid job was pumped @ 3-5 bpm, never seeing any surface pressure. Pumps were erratic with diverter stages, they had to speed up the pump rate to work salt through. Temp. was -25f fluid was freezing valves open and closed. Job rate was a little bit erratic because of it. Rig down Superior, release packer and trip 10 stands out of the hole. SDFN.
- 12/10/2009 Well is dead, no pressure. Finish tripping packer out of the hole, brought up 3 pieces of bands on top of the packer. PU retrieving head and TIH to 4182'.
Latched on to plug several times and pulled as much as 15,000 over string weight. Tool kept popping off of packer, suspected trash. Rotated the pipe to try and remove trash from around RBP. Could not latch up and the head was torquing up with minimal weight on on string. TOO. To set the retrieving head to neutral so that we could rotate w/ torque and risk wearing out J lugs. Set up head and RIH to 4182'. Rotate on RBP top and try to latch up for about 2 hrs. No Luck.
TOOH and lay down retrieving head. Suspected broken or stuck spring in retrieving head. Baker tool hand to bring out new Retrieving head tomorrow.
Borets swapped out ESP drive and filter with a smaller one.
- 12/11/2009 No pressure on the well. PU new retrieving head to remove A-2 Lockset RBP. RIH to 4182' latch on to plug and released it. PU total of 144 jts. 2-7/8" tubing and tagged up @ 4459' kb. Lay down 7 jts. TOO. Standing back 68 stands and laying down 1 more single. Lay down RBP and release Baker tool hand.
RU ESP Crew PU sensor, motor, 2 seals, intake/gas sep., 3 pump sections, drain valve. = 52.34' wire up motor. PU 6' sub + S.N. + 137 jts. 2-7/8" tubing + 10' sub. ESP crew had to splice on extra cable. ND BOP and land well. Intake @ 4311.96'. EOP @ 4336.26' S.N. @ 4276.92'. Wired in pump, shot static Fluid level and acquired sensor information before bringing on line. FL info and sensor info will be in FL spreadsheet.

Division of Oil, Gas and Mining

Operator Change/Name Change Worksheet-for State use only

Effective Date: 6/1/2015

FORMER OPERATOR:	NEW OPERATOR:
Marion Energy, Inc 1415 N Loop West, Suite 1250 Houston, TX 77008 281-540-0028	Utah Gas Operating Solutision, LLC 1415 N Loop West, Suite 1250 Houston, TX 77008 281-540-0028
CA Number(s):	Unit(s): Clear Creek

WELL INFORMATION:

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attache Listq									

OPERATOR CHANGES DOCUMENTATION:

1. Sundry or legal documentation was received from the **FORMER** operator on: 6/24/2015
2. Sundry or legal documentation was received from the **NEW** operator on: 6/24/2015
3. New operator Division of Corporations Business Number: 9345770-0161

REVIEW:

1. Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A
2. Receipt of Acceptance of Drilling Procedures for APD on: N/A
3. Reports current for Production/Disposition & Sundries: 6/25/2015
4. OPS/SI/TA well(s) reviewed for full cost bonding: 6/25/2015
5. UIC5 on all disposal/injection/storage well(s) approved on: 7/8/2015
6. Surface Facility(s) included in operator change: Clear Creek Tank Battery
7. Inspections of PA state/fee well sites complete on (only upon operators request): 6/25/2015

NEW OPERATOR BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: SU46335
2. Indian well(s) covered by Bond Number: N/A
3. State/fee well(s) covered by Bond Number(s): SU46334 and SU46341

DATA ENTRY:

1. Well(s) update in the **OGIS** on: 7/9/2015
2. Entity Number(s) updated in **OGIS** on: 7/9/2015
3. Unit(s) operator number update in **OGIS** on: 7/9/2015
4. Surface Facilities update in **OGIS** on: N/A
5. State/Fee well(s) attached to bond(s) in **RBDMS** on: 7/9/2015
6. Surface Facilities update in **RBDMS** on: 7/9/2015

LEASE INTEREST OWNER NOTIFICATION:

1. The **NEW** operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 7/9/2015

COMMENTS:

Marion Energy, Inc to
Utah Gas Operating Solutions, LLC
Effective 6/1/2015

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status	Unit
ALPINE SCHOOL DIST 3-17	17	130S	070E	4300731182	2550	State	Fee	WD	A	CLEAR CREEK
RIDGE RUNNER 8-19	20	140S	070E	4301530682	2550	Federal	Federal	GW	OPS	CLEAR CREEK
RIDGE RUNNER 2-18	17	140S	070E	4301530683	16130	Federal	Federal	GW	OPS	CLEAR CREEK
UTAH FUEL 10	5	140S	070E	4300716016	2550	Fee	Fee	GW	P	CLEAR CREEK
RIDGE RUNNER 13-17	17	140S	070E	4301530269	2550	Federal	Federal	GW	P	CLEAR CREEK
UTAH FUEL 1	5	140S	070E	4300716009	2550	Fee	Fee	GW	PA	CLEAR CREEK
UTAH FUEL 2	32	130S	070E	4300716010	2550	Fee	Fee	GW	PA	CLEAR CREEK
UTAH FUEL 3	32	130S	070E	4300716011	2550	Fee	Fee	GW	PA	CLEAR CREEK
UTAH FUEL 4	30	130S	070E	4300716012	2550	Fee	Fee	GW	PA	CLEAR CREEK
UTAH FUEL 5	31	130S	070E	4300716013	2550	Fee	Fee	GW	PA	CLEAR CREEK
UTAH MINERAL STATE	29	130S	070E	4300730102	2550	State	Fee	GW	PA	CLEAR CREEK
BALLPARK CYN 17-2	16	130S	100E	4300731169	15494	Fee	Fee	D	PA	
KENILWORTH RAILROAD 15-4	16	130S	100E	4300731170	15495	Federal	Fee	D	PA	
BALLPARK CYN 16-2	16	130S	100E	4300731171	15434	Fee	Fee	D	PA	
CORDINGLY CYN 10-1	15	130S	100E	4300731173	15435	Fee	Fee	D	PA	
BALLPARK CYN 16-2X	16	130S	100E	4300731207	15496	Fee	Fee	D	PA	
UTAH FUEL A-1	6	140S	070E	4301516021	2550	Fee	Fee	GW	PA	CLEAR CREEK
UTAH FUEL 8	19	130S	070E	4300716015	2550	Fee	Fee	GW	S	CLEAR CREEK
OMAN 2-20	20	130S	070E	4300730289	2550	State	Fee	GW	S	CLEAR CREEK
KENILWORTH RR #1	16	130S	100E	4300731006	14624	Fee	Fee	GW	S	
KENILWORTH RR #2	16	130S	100E	4300731007	14625	Fee	Fee	GW	S	
BALLPARK CANYON #1	16	130S	100E	4300731015	15159	Fee	Fee	GW	S	
CORDINGLY CYN 15-2	15	130S	100E	4300731064	15160	State	Fee	GW	S	
CORDINGLY CYN 15-1	15	130S	100E	4300731065	15161	State	Fee	GW	S	
CORDINGLY CYN 11-1	11	130S	100E	4300731070	15432	Fee	Fee	GW	S	
CORDINGLY CYN 15-5	15	130S	100E	4300731167	15433	State	Fee	GW	S	
KENILWORTH RAILROAD 15-3	16	130S	100E	4300731168	16041	Federal	Fee	GW	S	
ALPINE SCHOOL DIST 6-17	17	130S	070E	4300731181	2550	State	Fee	GW	S	CLEAR CREEK
OMAN 10-29	29	130S	070E	4300731210	2550	State	Fee	GW	S	CLEAR CREEK
KENILWORTH RR 1-A	16	130S	100E	4300731229	16456	Fee	Fee	GW	S	
RIDGE RUNNER 11-20	20	140S	070E	4301530271	2550	Federal	Federal	GW	S	CLEAR CREEK
RIDGE RUNNER 1-30	20	140S	070E	4301530680	2550	Federal	Federal	GW	S	CLEAR CREEK
RIDGE RUNNER 2-19	17	140S	070E	4301530684	2550	Federal	Federal	GW	S	CLEAR CREEK
RIDGE RUNNER 11-17	17	140S	070E	4301530685	2550	Federal	Federal	GW	S	CLEAR CREEK

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

ML-1257

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Clear Creek

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☐

OTHER Compressor

2. NAME OF OPERATOR:

Utah Gas Operating Solutions, LLC

3. ADDRESS OF OPERATOR:

1415 North Loop West, STE CITY Houston

STATE TX

ZIP 77008

PHONE NUMBER:

(281) 540-0028

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY: Carbon

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNW 33 13S 7E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>6/1/2015</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please accept this as notice that as of June 1st, 2015, Marion Energy, Inc. is resigning as the operator of the "Clear Creek Compressor Station" and assigning Utah Gas Operating Solutions, LLC. as the successor of operator. This is in conjunction with Utah Gas Operating Solutions, LLC bond number 5040334.

"Clear Creek Compressor Station"

Sec 33 13S 7E NWNW

Marion Energy, Inc.

Signature: [Signature]

Date: 6/1/15

Name: Douglas Flanner

Title: VP

Utah Gas Operating Solutions, LLC.

Signature: [Signature]

Date: 6-15-2015

Name: PATRICK W. MERRITT

Title: AGENT-LIMITED ATTORNEY IN FACT

NAME (PLEASE PRINT)

PATRICK W. MERRITT

TITLE

AGENT-LIMITED ATTORNEY IN FACT

SIGNATURE

[Signature]

DATE

6-15-2015

(This space for State use only)

APPROVED

JUL 09 2015

DIV. OIL GAS & MINING

BY: Rachel Medina

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-1257

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
Clear Creek Unit

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:
Helper Field

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER _____

2. NAME OF OPERATOR:
Marion Energy, Inc

3. ADDRESS OF OPERATOR:
1415 N Loop W, STE 1250 CITY **Houston** STATE **TX** ZIP **77008**

PHONE NUMBER:
(281) 540-0028

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

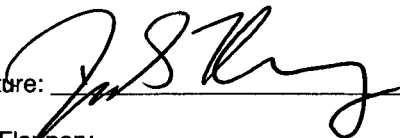
11. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 6/1/2015	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

As of June 1st, 2015, Marion Energy, Inc. resigns as Operator over its former Clear Creek Unit and Helper Field assets. In conjunction with this resignation, Utah Gas Operating Solutions, LLC. will be taking over as the Successor Operator upon your approval. Please refer to all documents submitted by Utah Gas Operating Solutions, LLC. as successor unit operator and on behalf of Marion Energy, Inc. regarding this change.

Please see the attached Appendix A below for a complete well and facility list that will be transferred upon governing approval. As the Vice President of Marion Energy, Inc. I ask that you accept this letter as Marion Energy's official resignation and request to transfer operating rights to Utah Gas Operating Solutions, LLC.

Signature: 
Doug Flannery
Vice President

Date: **6/11/15**

NAME (PLEASE PRINT) **DATRICK W. MERRITT**

TITLE **AGENT - CONTRACT OPERATOR**

SIGNATURE 

DATE **6-15-2015**

(This space for State use only)

APPROVED

JUL 09 2015

DIV. OIL GAS & MINING

BY: 

APPENDIX A

Well List

Well Name	Sec	TWN	RNG	API	Status
ALPINE SCHOOL DIST 3-17	17	130S	070E	4300731182	A
KENILWORTH RAILROAD 9-1	16	130S	100E	4300731172	LA
JACOB 5-5	5	140S	070E	4300731190	LA
JACOB 4-8	5	140S	070E	4300731191	LA
OMAN 2-31	30	130S	070E	4300731246	LA
OMAN 3-32	29	130S	070E	4300731247	LA
MADSEN 11-20	19	130S	070E	4300731297	LA
OMAN 7-19	19	130S	070E	4300731298	LA
WOOLSEY 3-31	31	130S	070E	4300731305	LA
OLD RAIL ROAD GRADE 17-1	17	130S	100E	4300731354	LA
KENILWORTH WASH 18-1	18	130S	100E	4300731355	LA
ALRAD CYN 13-1	13	130S	100E	4300731357	LA
CORDINGLY CYN 15-6	15	130S	100E	4300731416	LA
RIDGE RUNNER 7-20	20	140S	070E	4301530681	LA
RIDGE RUNNER 8-19	20	140S	070E	4301530682	OPS
RIDGE RUNNER 2-18	17	140S	070E	4301530683	OPS
UTAH FUEL 10	5	140S	070E	4300716016	P
RIDGE RUNNER 13-17	17	140S	070E	4301530269	P
UTAH FUEL 1	5	140S	070E	4300716009	PA
UTAH FUEL 2	32	130S	070E	4300716010	PA
UTAH FUEL 3	32	130S	070E	4300716011	PA
UTAH FUEL 4	30	130S	070E	4300716012	PA
UTAH FUEL 5	31	130S	070E	4300716013	PA
UTAH MINERAL STATE	29	130S	070E	4300730102	PA
BALLPARK CYN 17-2	16	130S	100E	4300731169	PA
KENILWORTH RAILROAD 15-4	16	130S	100E	4300731170	PA
BALLPARK CYN 16-2	16	130S	100E	4300731171	PA
CORDINGLY CYN 10-1	15	130S	100E	4300731173	PA
BALLPARK CYN 16-2X	16	130S	100E	4300731207	PA
UTAH FUEL A-1	6	140S	070E	4301516021	PA
OMAN 14-20	29	130S	070E	4300731209	RET
CORDINGLY CYN 2-1	2	130S	100E	4300731236	RET
SWD 1	28	130S	100E	4300731417	RET
SHIMMIN 33-1	33	120S	110E	4300731431	RET
SEAMONS 5-8	8	130S	070E	4300731432	RET
CRITCHLOW 29-1	29	120S	110E	4300731433	RET
RADAKOVICH 12-5-1	5	130S	070E	4300731434	RET
ALLRED 10-1	10	120S	110E	4300731435	RET

RADAKOVICH 12-5	5	130S	070E	4300731436	RET
SEAMONS 5-8-2	8	130S	070E	4300731437	RET
WOOLSEY 3-31-1	31	130S	070E	4300731438	RET
ALLRED 13-1	13	120S	110E	4300731439	RET
JACOB 5-5	5	140S	070E	4300731513	RET
UTAH FUEL 8	19	130S	070E	4300716015	S
OMAN 2-20	20	130S	070E	4300730289	S
KENILWORTH RR #1	16	130S	100E	4300731006	S
KENILWORTH RR #2	16	130S	100E	4300731007	S
BALLPARK CANYON #1	16	130S	100E	4300731015	S
CORDINGLY CYN 15-2	15	130S	100E	4300731064	S
CORDINGLY CYN 15-1	15	130S	100E	4300731065	S
CORDINGLY CYN 11-1	11	130S	100E	4300731070	S
CORDINGLY CYN 15-5	15	130S	100E	4300731167	S
KENILWORTH RAILROAD 15-3	16	130S	100E	4300731168	S
ALPINE SCHOOL DIST 6-17	17	130S	070E	4300731181	S
OMAN 10-29	29	130S	070E	4300731210	S
KENILWORTH RR 1-A	16	130S	100E	4300731229	S
RIDGE RUNNER 11-20	20	140S	070E	4301530271	S
RIDGE RUNNER 1-30	20	140S	070E	4301530680	S
RIDGE RUNNER 2-19	17	140S	070E	4301530684	S
RIDGE RUNNER 11-17	17	140S	070E	4301530685	S

Facility List

Clear Creek Compressor Station	33	13S	7E
--------------------------------	----	-----	----

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-1256
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: UTAH GAS OPERATING SOLUTIONS, LLC		7. UNIT or CA AGREEMENT NAME: CLEAR CREEK
3. ADDRESS OF OPERATOR: 1415 North Loop West, STE 1250, Houston, TX, 77008		8. WELL NAME and NUMBER: OMAN 2-20
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1167 FNL 1737 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 20 Township: 13.0S Range: 07.0E Meridian: S		9. API NUMBER: 43007302890000
PHONE NUMBER: 281 540-0028 Ext		9. FIELD and POOL or WILDCAT: CLEAR CREEK
COUNTY: CARBON		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input checked="" type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION	OTHER: <input style="width: 100px;" type="text"/>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 1/29/2016				
<input type="checkbox"/> SPUD REPORT Date of Spud:				
<input type="checkbox"/> DRILLING REPORT Report Date:				

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

This well is back in Production and no longer shut in.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 February 12, 2016

NAME (PLEASE PRINT) Tyler Merritt	PHONE NUMBER 281 540-0028	TITLE Project Manager
SIGNATURE N/A	DATE 2/11/2016	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-1256
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: UTAH GAS OPERATING SOLUTIONS, LLC		7. UNIT or CA AGREEMENT NAME: CLEAR CREEK
3. ADDRESS OF OPERATOR: 1415 North Loop West, STE 1250, Houston, TX, 77008		8. WELL NAME and NUMBER: OMAN 2-20
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1167 FNL 1737 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWNE Section: 20 Township: 13.0S Range: 07.0E Meridian: S		9. API NUMBER: 43007302890000
PHONE NUMBER: 281 540-0028 Ext		9. FIELD and POOL or WILDCAT: CLEAR CREEK
COUNTY: CARBON		STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 10/1/2016	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> APD EXTENSION
<input type="checkbox"/> SPUD REPORT Date of Spud:	OTHER: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> DRILLING REPORT Report Date:	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please see attached procedure to plug and abandon the well

**Approved by the
 Utah Division of
 Oil, Gas and Mining**

Date: October 07, 2016

By: 

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Patrick Merritt	PHONE NUMBER 281 540-0028	TITLE President
SIGNATURE N/A	DATE 9/20/2016	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43007302890000

1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338. 2. Amend Plug #2. Set CIBP @1850' (DV Tool @1823'). Spot plug (12 sx minimum) 1850'-1750'. 3. Amend Plug #3. Perforate at 360'. Establish injection into perfs before setting CICR. If good circulation, can circulate to surface w/o CICR if desired (263 sx minimum). If injection into perfs @340' cannot be established, then the plug inside the casing shall be set from 390' (50' below perfs) to surface (46 sx minimum) 4. All balanced plugs shall be tagged to ensure that they are at the depth specified. 5. All annuli shall be cemented from a minimum depth of 100' to the surface. 6. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration. 7. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply. 8. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (office) or 801-733-0983 (home) prior to continuing with the procedure. 9. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.

10/7/2016

Wellbore Diagram

r263

API Well No: 43-007-30289-00-00

Permit No:

Well Name/No: OMAN 2-20

Company Name: UTAH GAS OPERATING SOLUTIONS, LLC

Location: Sec: 20 T: 13S R: 7E Spot: NWNE

Coordinates: X: 486259 Y: 4392163

Field Name: CLEAR CREEK

County Name: CARBON

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (f/cf)
HOL3	308	24			
SURF	308	20	94	308	
HOL2	818	17.5			
II	818	13.375	54.5	818	
HOL1	4780	7.875	0	76	
PROD	4780	5.5	15.5	4780	764828
BASK	1825	5.5			1,4225

13 3/8 x 5 1/2

Cement from 308 ft. to surface

Surface: 20 in. @ 308 ft.

Hole: 24 in. @ 308 ft.

Cement from 818 ft. to surface

Intermediate: 13.375 in. @ 818 ft.

Hole: 17.5 in. @ 818 ft.

TOC 900' (CBL)

1750'
DVT @ 1823'

CIBP @ 1850'

Amend Plug 2

move + set 1850' - 1750'

12 SX = 103'

CICR @ 340'

Amend Plug 3

Perf @ 360', establish injection before setting CICR

below (in) 20' = 3 SX (out) 360' = 220 SX

above

340' = 40 SX

min 263 SX

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
II	818	0	PC	535
II	818	0	G	230
PROD	4780	0	RF	323
PROD	4780	0	PC	821
SURF	308	0	50	300

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
3904	4596			

Formation Information

Formation	Depth
BLKHK	0
STRPT	364
BLUGT	2105
FRSD	3462
TNUNK	4056

TOC 3300' (CBL)

3740'

CIBP @ 3840'

Cement from 4780 ft. to surface

Production: 5.5 in. @ 4780 ft.

RBP @ 4486'

Hole: 7.875 in. @ 4780 ft.

4596'

TD: 4780 TVD: 4182 PBTD:

Oman#2-20 SWD Plugging Procedure

Well Name: Oman#2-20

API Number: 43-007-30289

Location: NWNE Sec.20-T13S-R7E Carbon County, Utah

Conductor Csg: 30" set@76'

Surface Csg: 20" 94# set @ 308'

Intermediate Csg: 13 3/8" 54.5 @818'

Prod. Csg: 5 1/2" 15.5# set @ 4780'

PBTD: 4459'

1. MIRU Well Service Rig. NDWH and NUBOP.
2. Release 5 1/2" Arrow Set Packer @ 3832' and POH with 2 7/8" tubing and downhole assembly and pump
3. TIH w/ wireline set 5 1/2" CIBP. Set plug 60' above top perf @ +/-3900'. TIH w/ 2 7/8" tbg and tag plug
4. Pump cement through 2 7/8" tbg setting a 100' plug from +/-3840 – 3740 (approx. 12sx)
5. TOH w/tbg and TIH w/5 1/2" CIBP set at +/- 1800'
6. Pump cement through 2 7/8"tbg setting a 100' plug from 1800'-1700'(approx. 12sx)
7. RU perforators and perforate @ +/-308'. Set a wireline set CICR at +/-290'. Sting into retainer and establish circulation down the 5 1/2" csg and back up into the 5 1/2" X 13 3/8" & 13 3/8"X 20" annuli. If circulation cannot be established through perms sting out of retainer and set a 290' plug (approx.35sx) to surface in the 5 1/2" Csg. If circulation can be established, pump 200sx cement in the 5 1/2 "X 13 3/8" annulus to the surface and 290sx cement in the 13 3/8"X20" annulus, and sting out of retainer and set a 290' plug (approx.35 sx) to surface in the 5 1/2" csg on top of the retainer.
8. All cement should be Type II or Class G or equivalent cement mixed at 5.2 to 5 gal/sk to make a slurry weight of 15.8 ppg
9. Erect dry hole marker on top of the plug extending 4 feet above the ground with following description:

OPERATOR: UTAH GAS OPERATING SOLUTIONS,LLC
WELL NAME & NUMBER: OMAN#2-20
API NUMBER: 43-007-30289
LOCATION: NWNE SEC.20-T13S-R7E CARBON COUNTY, UTAH
10. In case the area is agricultural or cultivated, there is no need for marker and only cut off the casing 3' below the ground level and cap it with above description welded on the cap.

